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THE UNIVERSITY OF ALBERTA

Indo-American Relations:
The Nehru-Eisenhower Era, 1953-1961

by

Yasmin Chandra

A THESIS

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ABSTRACT

The Nehru-Eisenhower era, 1953-1961, marked a highly important and successful phase in the history of Indian-American relations, witnessing extensive cooperation between the two countries in the political, social and economic sectors. Determined primarily by American national security interests, the Indian policies of the Eisenhower administration reflected the President's realistic understanding of the situation in the Indian subcontinent. The Eisenhower policies marked a significant departure from the policies of the preceding Truman administration in that they acknowledged India's position in South Asia and among the nations of the "third world", and recognised Prime Minister Nehru's policy of "non-alignment" and non-involvement in international cold war politics. Despite the striking differences between President Eisenhower and Prime Minister Nehru in their conceptions of various global events and issues, the two leaders shared a common belief in democracy and freedom, and a dedication to world peace. In the economic sector, the Eisenhower administration participated in India's industrial and economic growth and development, and extended massive economic assistance to the Nehru government in the form of direct grants, long term loans and technical expertise throughout this period.

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INTRODUCTION

One of the first issues to claim the attention of President Dwight D. Eisenhower when he assumed office in January 1953 was that of American foreign policy. Clearly, a solution to the Korean war which had been raging since 1950, and had taken almost 25,000 American lives, was at that time among his foremost concerns. Describing it as a "phase of communist aggression" in his first State of the Union message, Eisenhower pledged to end hostilities in the region and to restore peace in a manner that would ensure against future communist incursions.[1] This had meant not only a military solution to the Korean problem alone, but also a complete re-examination of American policy in Asia.

That the Asian continent had begun to occupy an important position in the political manoeuvres of the western powers following the close of the Second World War is clearly evident from the sequence of events that took place in the late 1940s and throughout the 1950s. The postwar era witnessed a rapid deterioration in the relations between the United States and the Soviet Union engaging them in a protracted ideological struggle against each other. Better known as the "cold war" this conflict saw the two rivals in a contest for economic power and political supremacy, with their diplomatic concerns

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[1]For full text of speech, see Public Papers of the Presidents of the United States, hereafter cited as PP, Eisenhower, 1953, pp. 12-34.

extending around the globe. In an attempt to gain "allies" the two cold war antagonists shifted their focus from Europe to other parts of the globe, including Asia where a number of countries had begun to emerge as independent nations following the break-up of western colonial systems. Bearing in mind the geographical location of the Soviet Union and its proximity to the so-called "newly-independent" nations, the United States expressed its keen interest in the security alignments of this area, particularly that of the Middle East, Indo-China and South Asian regions. Political opinion in the United States was of the view that the weakening and eventual withdrawal of British and French presence in Asia would create a power vacuum, thus making possible communist penetration in these regions. Hence during the period of the Truman and Eisenhower administrations attempts were made to outline and subsequently execute a coherent policy primarily aimed at "containing" this real or apparent threat of communist expansion.

An area that was of singular interest to the United States during this period was the Indian subcontinent comprising the countries of Pakistan, India, Nepal and Ceylon. While this region did not occupy a central or deciding place in major American foreign policy concerns, its value in terms of tremendous manpower, natural resources and growing

influence in world affairs was not ignored.[2] However, its economic and military unpreparedness, and its geographical location in terms of its proximity to the Soviet Union and communist China rendered it vulnerable to a communist invasion. "India itself," wrote Eisenhower while referring to communist activities in Asia, "is not safe."[3] What followed during the eight years of the Eisenhower presidency (1953-61) was a consistent effort on the part of the president himself as well as his administration to formulate a policy for South Asia which, in keeping with the American policy of containment, would seek to provide an effective check against the spread of communism in this region. At the same time, the United States was forced to deal with unpleasant situations on more than one occasion that were the direct result of frictions between the countries of the subcontinent, and which tended to disrupt any efforts made toward procuring and implementing security alignments in South Asia. In particular, the Eisenhower administration found itself faced with the difficult task of not only achieving a balance in the conflict between India and Pakistan, but also finding a means of successfully carrying out its policy of "mutual security" in the area.

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[2]Foreign Relations of the United States, hereafter cited as FRUS, XI, part 2. "United States Policy Toward South Asia," NSC 5409, February 19, 1954, pp. 1089-1096.

[3]Robert H. Ferrell, ed., The Eisenhower Diaries, p. 175.

Writing in the 1950s and early 1960s historians and political analysts for the most part dismissed Eisenhower as a weak, faltering and ineffective leader unable to meet the difficult new challenges of the postwar world.[4] Describing the Eisenhower era as the "time of the great postponement" his critics declared his foreign policy initiatives to be "irrelevant and noxious diplomatic devices."[5] He failed, they argued, to fully endorse the basic Truman policy of restraining Soviet aggression through building strength and unity among free nations, and at the same time was unable to substitute it with a new and positive policy of his own. "Vacillation and confusion," wrote one critic, was the hallmark of the Eisenhower-Dulles foreign policy. His "middle-of-the-road" stance, they believed, compromised the American position in Korea and Indo-China, and left largely unsettled the question of achieving peace through containment and mutual

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[4]See, in particular, William V. Shannon, "Eisenhower as President: A Critical Appraisal of the Record," Commentary, 26 (November, 1958), 390-398; Arthur Schlesinger, Jr., "Eisenhower and Foreign Policy," Fabian International Review, 5 (May, 1954), 6-9; Hans J. Morgenthau, "The Decline and Fall of American Foreign Policy," New Republic, 135 (December, 1956), 11-16; Norman Graebner, "Eisenhower's Popular Leadership," Current History, 39 (October, 1960), 230-236, 244; Oscar Handlin, "The Eisenhower Administration: A Self-Portrait," The Atlantic, 212 (November, 1962), 67-72. Full-length studies that were critical of the Eisenhower years included those by Richard Neustadt, Presidential Power: The Politics of Leadership (1968); Louis Koenig, The Chief Executive (1964) and Stuart G. Brown, The American Presidency: Leadership, Partisanship and Popularity (1966).

[5]William V. Shannon, "Eisenhower as President: A Critical Appraisal of the Record," pp. 390-398.

security.

As for Eisenhower's Asian policy, here too his critics were reluctant to grant him any recognition. In an article published in 1962, Oscar Handlin pointed out that the president's policy of utmost restraint in dealing with international crises, and his inability to devise bold, novel and nonmilitary acts of initiative confused both friends and enemies alike.[6] Regarding the Indian subcontinent most critics firmly stated that the Eisenhower-Dulles era had only served to heighten regional tensions, specifically between the two countries of India and Pakistan. They argued that the decision of the Eisenhower administration in 1954 to grant military aid to Pakistan; its determination to include Pakistan in various regional security pacts and Eisenhower's personal unwillingness to accept India's policy of "free neutralism" all contributed equally toward escalating cold war tensions in South Asia.

However, by the late 1960s these interpretations had begun to undergo major changes, giving way to a more sympathetic and favourable explanation of the Eisenhower years. Historians and scholars writing during this period described the president as a skillful and competent chief executive, fully in control of the situation both at the

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[6]Oscar Handlin, "The Eisenhower Administration: A Self-Portrait," p. 69.

domestic and international levels.[7] To a certain extent, this revival of interest in the Eisenhower years was the result of the opening of several important official files at the Eisenhower Library in Abilene, Kansas, thus making available to scholars new primary sources which afforded a valuable insight into the day to day functioning of the president and his administration. It was also prompted, as some writers claimed, by a nostalgia for an apparently simpler and happier era, as against the social and economic turmoil of the 1960s and the effects of the Vietnam war.[8] As to his foreign policy, they maintained that Eisenhower possessed not only a strong commitment to peace but also an acute understanding of global realities as reflected in his skillful manoeuvring during the Indo-Chinese, Suez and U-2 crises. His greatest achievement, they declared, was his ability to "keep the peace."

The aim of this thesis is to examine the policies of the Eisenhower administration toward India, and to demonstrate, in keeping with "revisionist" interpretations, that the Eisenhower years marked an important and highly successful

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[7]Among the most important works that qualified this new interpretation were those by Herbert S. Parmet, Eisenhower and the American Crusades (1972), Peter Lyon, Eisenhower: Portrait of the Hero (1974) and Charles C. Alexander, Holding the Line: The Eisenhower Era, 1952-1961 (1975).

[8]Mary McAuliffe, "Eisenhower, the President," Journal of American History, 68 (December, 1981), pp. 625-632. See also, Gary Reichard, "Eisenhower as President: The Changing View," South Atlantic Quarterly, 77 (Summer, 1978), pp. 265-281 and Vincent P. DeSantis, "Eisenhower Revisionism," The Review of Politics, 38 (April, 1976), pp. 190-207.

phase in the history of Indo-American relations.[9] Not only did the Eisenhower policies enable the administration to achieve its objectives in South Asia during this period, but it also won the president tremendous support and friendship from the Nehru government. Ever since the early postwar years deep political and ideological differences between the Truman and Nehru governments had created a chill in relations between India and the United States. Perhaps, the most obvious irritant was Prime Minister Nehru's commitment to a policy of "non-alignment" and non-involvement in the cold war which was deeply resented in Washington during the period of the Truman presidency. Moreover, his stand on the Korean war, that is, his refusal to condemn China as the aggressor nation as well as his refusal to assist in American military efforts in Korea provoked a sharp reaction from the Truman administration. Consequently, in 1950-51 the US Congress delayed the India wheat loan, thereby adding to the hostility and ill-feelings that existed between the two countries. In contrast, Eisenhower displayed a special interest in the political and economic concerns of the subcontinent, and his appreciation

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[9]The term "revisionist" should be taken here in its literal sense, that is, what took place in the late 1960s and early 1970s was in fact a "revision" of the contemporary interpretations of the Eisenhower presidency. While most revisionist writers tended to give a favourable account of the Eisenhower years, they were nonetheless more balanced in their assessments. See, Robert Griffith, "Dwight D. Eisenhower and the Corporate Commonwealth," American Historical Review, 87 (February, 1982), pp. 87-88.

of India's problems and expectations went a long way in greatly reducing, if not eliminating, mutual suspicions and hostilities that had plagued relations between the two countries. In spite of his differences with Prime Minister Nehru on various issues that were of vital significance to both countries, Eisenhower "cultivated" Nehru's friendship and consulted with him on various international issues such as peace in Korea and the Suez, and relations with Russia and China.[10] Furthermore, the Eisenhower-Nehru era witnessed close cooperation between the two countries in the areas of economic, technical and social development.

In the recent years a considerable amount of literature and scholarship has been published on the major aspects of Indo-American relations. While this growing interest in the foreign policy concerns of the Indian subcontinent has partly been due to the increasing strategic importance of the region as a whole, it is also the outcome of a series of significant political and economic developments taking place within the subcontinent since the late 1940s. The genesis of the "non-aligned" movement in the early 1950s and the emergence of India under Prime Minister Nehru as the spokesman for the newly independent Afro-Asian countries encouraged a keen interest among scholars in the principles that characterised

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[10]James Hitchman, "Parry and Thrust: Eisenhower, the Soviet Union and India, 1953-61," World Review, 24 (1985), p. 14.

Indian foreign policy in the post independence era. Continued American interest in the affairs of the subcontinent prompted historians and political analysts to focus their attention on certain aspects of Indo-American relations, namely, the objectives of United States policy in Asia and its consequences for the region as a whole.[11]

By and large, the scholarship on Indo-American relations during the period of the Eisenhower presidency has tended to focus primarily on the Pakistan aspect, that is, on the effects of the 1954 US-Pakistan defence alliance on relations between India and the United States. No doubt, the conclusion of this alliance had important consequences for the region as a whole, and to a certain extent determined the very nature of American involvement in South Asia. However, most scholars have overstated its role, often using it as the sole determinant in their assessment of the relations between India and the United States.

This study will attempt a more broad-based overview of the Eisenhower administration's policies toward the Indian

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[11]Fairly comprehensive general studies on Indo-American relations include those by Norman D. Palmer, The United States and India: The Dimensions of Influence (1984); Stanley Wolpert, Roots of Confrontation in South Asia: Afghanistan, Pakistan, India and the Superpowers (1982); Ved Vati Chaturshreni, Indo-US Relations (1980); G. W. Choudhury, India, Pakistan, Bangladesh and the Major Powers (1975); S. M. Burke, Mainsprings of Indian and Pakistani Foreign Policies (1974); William J. Barnds, India, Pakistan and the Great Powers (1972); Selig Harrison, ed., India and the United States (1961) and Phillips Talbot and S. L. Poplai, India and America: A Study of their Relations (1958).

subcontinent. While it will primarily focus on American relations with India, it will also include a discussion of various related global issues which, in one way or another, had a bearing on the foreign policies of the two countries. Although interaction between India and the United States in the 1950s took place on several levels, this study will focus on its predominant aspects, that is, on the political and economic relations between the two countries during the Nehru-Eisenhower era.

One of the primary tasks attempted by President Eisenhower when he assumed office in 1953 was the reorganisation of the National Security Council (NSC). Created by the National Defence Act in 1947, the NSC had played a limited role during the Truman years. While under Truman it had been a small consultative body, Eisenhower transformed the NSC into a highly structured organisation that met regularly to propose, plan and review foreign policy matters.[12] Though it essentially remained an advisory body, the NSC under the Eisenhower presidency actively participated in the formulation and implementation of American foreign policy. To ensure its efficient functioning Eisenhower created a Planning Board that made recommendations and passed decisions on various global issues, subsequently implemented by an Operations Coordinating

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[12]See, Stephen Ambrose, Eisenhower: The President, p. 25; Douglas Kinnard, President Eisenhower and Strategy Management, pp. 14-15 and Herbert Parmet, Eisenhower and the American Crusades, p. 191.

Board. Similarly, on reviewing the administration's foreign economic policy-making process Eisenhower expressed his desire to reorganise the system. To this effect, the Council on Foreign Economic Policy (CFEP) was instituted in 1954 which was entrusted with the task of coordinating and developing American foreign economic policy.[13]

This study will include an analysis of the NSC and CFEP policy papers on India during the Eisenhower years. These papers not only revealed the importance of the Indian subcontinent in American national security plans, but also outlined the measures that were to be taken by the administration in ensuring the continued freedom and security of this region. Clearly, the Eisenhower administration had shifted its focus from Europe to the Asian continent, identifying its national security interests with the security of Asia from communist domination. An examination of the above mentioned papers suggests that Eisenhower's policy toward India also was largely determined by national security concerns. Despite the Indian Prime Minister's refusal to comply with American measures toward the protection of South Asia from possible communist aggression, Eisenhower was largely successful in achieving an extremely cordial working relationship with Nehru.

The fundamental differences in the Indian and American

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[13]Burton Kaufman, Trade and Aid: Eisenhower's Foreign Economic Policy, pp. 35-37.

approach to international problems, that is, more specifically, Eisenhower's "collective security" as against Nehru's "non-alignment" will be dealt with in the first chapter. In spite of their divergent views on such issues, an examination of several primary sources suggests that the two leaders not only held great respect for each other but also shared a common dedication to the ideals of democracy and global peace. It afforded them the opportunity of encouraging an understanding of each other's viewpoints on the conduct of foreign policy. Chapter two outlines the role of Pakistan in Indo-American relations. While the question of American arms aid to Pakistan and the Kashmir issue continued to be an irritant throughout the 1950s, it did not eliminate common hopes for better relations between India and the United States. Finally, cooperation between India and the United States in the economic sector will be discussed in the third chapter. India continued to receive substantial American economic aid, which covered almost all areas of her economic and technical development - from agriculture to aviation, railways to mining, and education to community development, thereby contributing to closer and cooperative ties between India and America during the Nehru-Eisenhower period.

1. INDIA, AMERICA AND THE COLD WAR ENVIRONMENT

"Pandit Jawaharlal Nehru," Eisenhower claimed in his memoirs, "was not easy to understand. [In fact], his was a personality of unusual contradictions."[1] Particularly intriguing to the president was Nehru's conduct of Indian foreign policy, notably, his strong commitment to a policy of "non-alignment" on the one hand, and his apparent "sympathy for communist Russia on the other.[2] It was perhaps this dichotomy, as well as certain fundamental differences in the perceptions of the two leaders on global and regional matters that found them on opposing sides on more than one occasion during the eight years of the Eisenhower presidency. And yet, it did not, in any way, prevent the development of a firm and long term relationship between the two leaders that was based on mutual respect, understanding, and appreciation of one another's convictions and policies. Despite their conflicting ideologies and beliefs, the Nehru-Eisenhower era largely remained one of cordiality and extensive cooperation between India and the United States in every sector of social, political and economic life.

This chapter will focus on President Eisenhower's personal relations with Prime Minister Nehru - his approach to and understanding of Nehru's views on various international

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[1]Dwight Eisenhower, Waging Peace, 1956-61, p. 113.

[2]Ibid., p. 114.

matters and his conduct of Indian foreign policy. It will contend that despite their fundamentally distinct views on global issues, due in part to their differing perceptions of the communist world, the two leaders were largely successful in maintaining extremely cordial relations throughout the period 1953-1961. The origins and the subsequent development of the Eisenhower administration's policies toward India will also be outlined during the course of this chapter. It is clear that, to a large extent, Eisenhower's personal relations with Nehru determined the nature of his policies toward India. Undoubtedly, the single most important aspect of this relationship was Eisenhower's acceptance and recognition of Nehru's policy of non-alignment. This, in itself, represented a significant break from the policies of the preceding Truman administration, thereby paving the way for better understanding between India and America.

Several possible factors can be listed to account for the success of the Nehru-Eisenhower era including those such as compatible personalities of the two leaders, shrewd and thoughtful diplomacy, or simply the sheer logic of events in the 1950s which made possible close cooperation between the two countries on a number of occasions.[3] Naturally, an

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[3]The sequence of events after 1956, in particular, the Soviet intervention in the Hungarian uprising, Chinese incursions along the Indian border, and the Suez crisis, all contributed to close relations between India and the United States since it fostered a better understanding of each other's viewpoints on the complex problem of international

(continued...)

explanation must also be sought in the foreign policies of the two leaders, and any discussion on this subject must include an examination of their individual beliefs on matters such as the nature of international communism, global and security relationships and alignment strategies, the scope of American military assistance and the question of disarmament. Both Nehru and Eisenhower made significant contributions to the foreign policy objectives of their respective countries, which also reflected their individual positions on the above mentioned issues.

The idea of an American foreign policy for India was for the first time conceived during the period of the Truman administration, and arose from the State Department in December, 1950.[4] Bearing the title, "The Position of the United States with respect to South Asia," a policy was drafted by the NSC the following year and submitted to President Truman for consideration.[5] Following his approval, it was finally adopted as NSC policy 98/1 and implemented on January 25, 1951.[6] Describing the main objective of the United

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[3](...continued)
relations. See, P. C. Chakravarti, "Indian Non-alignment and United States Policy," Current History, 44 (March, 1963), pp. 132-133. See also, The New York Times, December 16, 1956.

[4]James Hitchman, "Parry and Thrust," p. 15.

[5]South Asia included the countries of India, Pakistan, Afghanistan, Nepal and Ceylon.

[6]For text, see, FRUS, 1951, volume VI, part 2, pp. 1650-1652.

States as the enhancement of its security position in South Asia, this policy singled out India and Pakistan as the "key nations" of the area. It went on to state that the loss of India to the communist orbit would, in fact, mean the loss of the entire continent of Asia, thus constituting a serious threat to the security position of the United States. Not only were India and Pakistan considered important for political reasons, but the presence of certain strategic materials for defence purposes in India made it absolutely essential for the government of the United States to seek the friendship and cooperation of these countries in South Asia.[7]

To achieve such a relationship with the various countries of South Asia, certain inter-related objectives were also identified, such as, ensuring the continuance in power of non-communist governments in South Asia by strengthening their individual and collective ability to resist communist imperialism in Asia; encouraging increased South Asian participation in, and contribution to, the solution of regional problems; and obtaining access to the markets and important resources of the region in order to prevent them from reaching the Soviet bloc.[8] In addition, the policy proposed regular and intimate consultations between the United States and the countries of South Asia; expansion of United

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[7] Ibid., p. 1651.

[8] Ibid., p. 1651.

States information and educational programs which would assist in integrating the political, manpower and material resources of South Asia with those of the free world; and the encouragement of the creation of an atmosphere favourable to economic development in the region.[9] The necessary provisions for meeting the military requirements, especially of India and Pakistan, for internal security, self-defence and participation in the defence of the region were also outlined.

However, with President Eisenhower assuming office in January 1953, the Truman policy found itself replaced over the following eight years by a series of new NSC policy statements which, at every step, tended to revise the position of the United States vis-a-vis the countries of South Asia. Although they represented a continuation of the policies implemented under the Truman administration in their very essential form, the Eisenhower policies were more detailed and elaborate, embracing almost all aspects of the relations between the United States and the countries of South Asia. For one thing, the Asian policy of the Truman administration had been far too general, and almost indifferent, in its assessment of the peculiar problems facing the South Asian nations. American foreign economic policy during the postwar years was largely oriented toward the economic recovery of Europe, giving little attention to economic development in

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[9] Ibid., p. 1652.

other parts of the globe. Furthermore, while considerable emphasis had been placed on combating the communist menace in South Asia, relatively little importance was attached to economic development and social well-being. In fact, the administration had clearly expressed its desire to avoid any responsibility in the social and economic welfare of the South Asian countries primarily because it believed that it was the responsibility of the countries themselves to develop indigenous labor, capital and natural resources before seeking American assistance.[10]

For such reasons it is not difficult to see why the Truman administration failed to secure the interest and cooperation of the South Asian countries, particularly that of India. Relations between India and the United States had not been particularly pleasant since 1947, and Prime Minister Nehru's visit to the United States in 1949 did not change much. Moreover, the Congressional debates that delayed the approval of the American wheat loan to India in 1951 greatly exacerbated tensions between the two countries.[11] This incident had provided a public forum for members of Congress, critical of Indian foreign policy, to express their views in a most frank and undiplomatic manner, much to the displeasure of the

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[10]Ibid., p. 1652.

[11]Robert J. McMahon, "Food as a Diplomatic Weapon: The India Wheat Loan of 1951," Pacific Historical Review, (1987), pp. 349-377.

Indian government.[12] The wheat loan had been used as a "diplomatic weapon" by the United States, causing Prime Minister Nehru to become deeply suspicious of any future American aid programs for India.

Beyond the political and economic sectors, contacts between India and the United States remained somewhat limited. Understandably, the Truman administration was much too preoccupied with far more important issues, particularly those pertaining to the settlement of postwar problems on the European continent. In Asia, the Korean crisis, and the activities of communist China caused the Americans much concern during the early years of the 1950s. In South Asia, most of the countries had recently emerged independent from their colonial past, and were struggling to achieve and maintain some measure of political and economic stability in the region, thus leaving the Americans with relatively little scope for involvement of any significance.

Moreover, the United States and India found little to cooperate on during the Nehru-Truman years. Nehru had made it clear, as early as 1946, that India would develop an active concern in world affairs, but, at the same time, would pursue an independent policy compatible with her own national

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[12] Ibid., p. 350. See also, Norman Palmer, South Asia and United States Policy, pp. 15-16; Srinivas Mudumbai, United States Foreign Policy toward India, pp. 41-64 and William Barnds, India, Pakistan and the Great Powers, pp. 90-91.

interests.[13] In October, 1949 he visited the United States in an attempt to seek an understanding, and possibly an appreciation, of his policy of non-alignment from the Truman government, but was unable to do so.[14] Besides this, Nehru also began to strongly resent any American interference in the Kashmir issue for lack of understanding on the part of the United States.[15] And his policy of "cautious friendliness" toward communist China only helped to further worsen the already deteriorating relations between the two countries.

So, what confronted Eisenhower when he took office in 1953 was the need to not only find an effective solution to the maladies that plagued American relations with the countries of South Asia, but also to assess and re-define American policies toward the Asian continent as a whole. Taking the first step in that direction, the president informed members of Congress in his first annual message to them that his administration had begun the definition of a new and positive foreign policy, based on the principles of mutual security and cooperation, and directed toward securing global peace and freedom.[16] Placing the highest priority on

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[13]Sarvepalli Gopal, Jawaharlal Nehru: A biography, volume II, 1947-1956, p. 43.

[14]Ibid., p. 61.

[15]Ibid., p. 62.

[16]See, "Annual Message to the Congress on the State of the Union, February 2, 1953," PP, Eisenhower, 1953, pp. 12-34.

fighting communist aggression Eisenhower drew special attention to Asia, stating that freedom and peace were imperiled there.[17] What followed during the eight years of his presidency was a constant effort to understand the complexities of the political situation in Asia, and attempts to resolve them through various political and diplomatic channels.

Unlike President Truman, Eisenhower gave more importance to Asia - to its strategic position and value in terms of its manpower and resources. Possibly this was due to the fact that the cutting edge of the cold war had shifted from Europe to Asia and the Middle East in the early years of the 1950s.[18] Consequently, the United States had begun to take an avid interest in the various regions of Asia. One of the regions to receive special attention by the Eisenhower administration was South Asia, and more specifically, the countries of India and Pakistan.

With increasing signs of unrest and trouble in the Suez, Iran and Indo-China it became clear to Eisenhower that the answer to communist ambitions in Asia would have to be given in some form of collective defence.[19] Free nations, standing

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[17]Ibid., p. 13.

[18]James Hitchman, "Parry and Thrust," p. 13.

[19]Dwight Eisenhower, Mandate for Change, 1953-56, pp. 137-138.

alone, he believed, were in mortal danger.[20] All along, Eisenhower had believed that the Soviet Union posed the largest single threat to global peace, and the countering of this threat had become the primary objective of his foreign policy. Since this threat was conceived to be of a military nature, the idea of regional security "pacts" strongly appealed to him. What followed during the early years of his presidency, therefore, were attempts to organise such collective security pacts as an effective means to check the communist menace in Asia.

It was in this context that Eisenhower's Secretary of State, John Foster Dulles proposed a "northern tier" defence system, that was meant to cover the "strategic" area from eastern Turkey to the Indian subcontinent.[21] On his return from a tour of several Asian countries in May, 1953 Dulles expressed his concern over the "alarming" situation, adding that the United States government needed to pay more attention to the Near East and South Asian regions.[22] Consequently, a new policy for the South Asian region was drafted by the staff

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[20] Ibid., p. 137.

[21] See, Selig Harrison, "India, Pakistan and the US-I: Case History of a Mistake," The New Republic 141 (August 10, 1959), pp. 10-17.

[22] Report delivered by Dulles to the nation over radio and television, June 1, 1953. For text, see, American Foreign Policy: Current Documents, hereafter cited as AFP, 1950-55, volume II, pp. 2168-2175.

of the NSC, and adopted as NSC 5409 in March, 1954.[23] It identified South Asia as a "major battleground in the cold war" stating that the United States was profoundly concerned with its future because of its strategic location, manpower, natural resources and growing influence in world affairs.[24] The policy described all the governments of the South Asian countries as "basically friendly" toward the United States and stressed that the loss of South Asia to communist control would constitute a "serious psychological and political defeat for the West."[25] Recognising India as a primary power in the region, NSC 5409 acknowledged that she possessed the greatest potentiality for making a long term constructive contribution to the free world.

At the same time, the United States expressed its awareness of the fact that the Indian government strongly advocated and adhered to a policy of "non-involvement" which tended to inhibit close cooperation between the two countries. Nevertheless, a set of policy objectives for India were outlined, including those such as continued efforts to seek India's eventual participation in a common front against

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[23]For text, see, FRUS, 1952-54, volume XI, "Draft Statement of Policy Proposed by the National Security Council: United States Policy toward South Asia," February 19, 1954, pp. 1089-1096.

[24]Ibid., p. 1089.

[25]Ibid.. p. 1089.

international communism; increased consultation with the Nehru government on matters of policy; and seeking recognition through the media of the communist threat to India and the United States policy thereof.[26] Moreover, the United States also made clear its stand on the Indo-Pakistan dispute over Kashmir, and on the issue of military aid to Pakistan.[27] On the economic front, proposals to render emergency, developmental and technical assistance were listed. It was believed by the administration that the economic development of India would be a strong factor in determining her future status. If India did not achieve substantial economic progress through democratic processes as compared to communist China, then democracy could be replaced by communism as an alternative solution to the economic problems of the area. Hence, NSC 5409 sought to ensure the success of India's long term economic programs through continued American economic and technical aid.

While the basic objectives of American policy in South Asia remained the same throughout the eight years of the Eisenhower presidency, its position on several issues of international significance underwent constant revision and

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[26]Ibid., p. 1094.

[27]Although the issue of American military aid to Pakistan will be discussed in greater detail in a later chapter, it is important to point out here that the Eisenhower administration was fully aware of the consequences such an alliance was likely to have on Indo-American relations.

redefinition. Naturally, with the passage of time, the Eisenhower administration was able to better grasp the complexities of the political and economic situation in the Indian subcontinent. With startling developments in Hungary, the Middle East and Indo-China regions, the United States was forced to give more serious attention to the security of South Asia, and to the acceptance of Indian "non-alignment" as a possible "alternative" to communism. This sentiment was clearly expressed in the new NSC policy statements of January, 1957 and January, 1961.[28] Prepared by the members of the NSC Planning Board in December 1956, NSC 5701 was adopted and implemented in January 1957. Perhaps, its most important aspect was that it recognised India as the foremost representative of the newly-independent and non-aligned Afro-Asian countries, and as the leading political contender with communist China in Asia. NSC 5701 also concluded that the United States could not expect to bring "neutral" India into a regional defence alliance, and, therefore, its capability to shape events in South Asia was acknowledged as being "extremely limited." Nevertheless, the United States would continue its efforts to prevent South Asia from becoming pro-

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[28]NSC 5701, "Statement of United States Policy toward South Asia," January 14, 1957 and NSC 6105, "Statement of United States Policy toward South Asia," January 19, 1961.

communist by pointing out that its community of interest could best be served by identifying with the free world.[29]

Similarly NSC 6105 stated that "the rapid growth in Chinese communist power and the intensification of the Soviet economic offensive in South Asia, which seems likely to intensify the threat posed to Free World interests in Asia over the next decade, underline the importance of developing in South Asia, particularly in India, a successful alternative to communism in an Asian context."[30] It declared that the Soviet Union had designated India as the "primary target in Asia" and sought to "win the sympathies" of the India government and people through its massive project aid, trade and technical assistance programs. As such, the policy concluded that since the United States had a high political stake in the independence and integrity of India, it would employ every possible means at its disposal to ensure India's freedom from communism.

Clearly, then, an examination of these NSC papers suggests that Eisenhower fundamentally altered the direction of American policies toward India. From the very beginning, the president sought to gain a better understanding of the

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[29]For text, see, Documents of the National Security Council, 1947-77, hereafter cited as Documents, NSC 5701, January 14, 1957 (Washington D.C.: University Publications of America, Inc.).

[30]This policy was drafted as NSC 5909 in July, 1959 and adopted as NSC 6105 in January, 1961. For text, see, Ibid., NSC 6105, January 19, 1961.

situation in South Asia and the problematic relationship between India and Pakistan, sending both Vice-President Richard Nixon and Secretary of State John Foster Dulles on fact-finding and "goodwill" tours of the region.[31] Undoubtedly, the most important aspect of Eisenhower's policy toward India was his acceptance, and eventual approval, of Indian non-alignment. The Bandung Conference of Afro-Asian countries in 1955 had more or less established non-alignment as a "third force" in international cold war politics, a development that had to be reckoned with sooner or later.[32] The Eisenhower administration admitted that while India's policy of non-alignment would cause her to oppose the United States on several issues, the risks to United States security interests in South Asia would be far greater from a weak and vulnerable India, than from a strong, stable and non-aligned India.[33] "A strong India would be a successful example of an alternative to communism in an Asian context and would permit the gradual

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[31]Secretary Dulles toured South Asia in May, 1953 and Vice-President Nixon visited the region in November/December, 1953.

[32]The Bandung Conference was convened upon the invitation of the Prime Ministers of India, Pakistan, Burma, Ceylon and Indonesia. In addition to these countries twenty-four other Afro-Asian countries took part in the week long deliberations. The Conference discussed issues relating to economic, cultural and political cooperation between the participating countries. For the final communique, see, AFP, 1950-55, volume II, pp. 2344-2352.

[33]This sentiment is clearly expressed in NSC papers 5701 and 6105.

development of the means to enforce [US] external security interests against communist Chinese expansion into South and Southeast Asia."[34]

Equally significant is the fact that the NSC policy papers repeatedly stated the importance of economic development and progress in India. The Eisenhower administration acknowledged that the countries of South Asia faced grave economic difficulties, and would require considerable external assistance to realise their potentialities. As such, specific guidelines for economic cooperation were outlined including those such as assisting the governments of the area to develop their natural resources; fostering conditions favourable to the investment of indigenous and foreign capital; encouraging the expansion of trade; and making available development loans consistent with American loan policies.[35] Subsequently, the United States extended substantial economic assistance to India during the course of her first and second Five Year Plans for economic development and growth.

Most writers on the subject of Indo-American relations have repeatedly claimed that the fundamental differences in the approach of President Eisenhower and Prime Minister Nehru to international problems made virtually impossible any

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[34]NSC 5701, January 14, 1957, in Documents.

[35]All the three NSC papers (5409, 5701 and 6105) contained sections devoted to economic policy.

cooperation between their two governments and countries.[36] While Eisenhower stressed the importance of collective security "pacts" to deal with the communist threat in the Middle East, South Asia and the Pacific, Nehru persisted that military alliances were not the key to world peace, and professed a commitment to non-alignment and coexistence.[37] Nehru's refusal to participate in, as well as his criticism of the various American sponsored defence pacts (NATO, SEATO and CENTO) aggravated tensions between India and the United States. Furthermore, many writers pointed out that there existed sharp differences between the two countries regarding the nature, seriousness and reality of the Soviet threat, leading the Indian government to accuse the United States of exaggerating the menace of possible communist aggression.[38] Also the problem of dealing with communist China caused much

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[36]See, in particular, Norman Palmer, "The United States and India," Current History, 28 (January, 1955), pp.43-50 and "Ups and Downs in Indo-American Relations," The Annals of the American Academy of Political and Social Science, 294 (July, 1954), pp. 113-123; Marshall Windmiller, "America's Relations with India: A Re-appraisal," Far Eastern Survey, 25 (March, 1956), pp. 33-38; Charles Heimsath, "Indo-American Relations," Journal of International Affairs, 6 (1952), pp. 151-162; and "United States-Indian Relations: a generation of unfulfilment," International Journal, 27:3 (1972), pp. 469-79; B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," International Studies, 14:1 (1975), pp. 21-38; R. G. Thomas, "Security Relationships in Southern Asia: Differences in the Indian and American perspectives," Asian Survey, 21 (1981), pp. 689-709.

[37]R. G. Thomas, Ibid., p. 692.

[38]Norman Palmer, "Ups and Downs in Indo-American Relations," pp. 120-22.

tension between India and the United States during this period.

However, the available evidence on the relations between India and the United States, and their respective leaders, suggests quite the contrary.[39] While Eisenhower and Nehru did disagree on matters of policy on several occasions it did not lead to hostility or a break in the relations between them. Eisenhower made use of a "personal approach" strategy in dealing with Nehru, and the leaders corresponded with each other on issues ranging from the American position in Korea to disarmament and world peace.[40]

Perhaps the most serious problem which deserves some amount of attention and elaboration was the striking difference between Eisenhower and Nehru in their perceptions of regional and global security strategies. In discussing Eisenhower's position on this, two important points must be mentioned: first, that he sincerely believed in a "communist plot" to dominate the world, and second, that he was anti-isolationist, and desired his country's active participation in world affairs.[41] These convictions shaped the contours of

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[39]The available evidence includes autobiographies of Eisenhower and Nehru; speeches made at home and abroad; statements made during press conferences; their official correspondance with each other, as well as the extensive documentation on their official visits to each other's countries.

[40]James Hitchman, "Parry and Thrust," pp. 13-14.

[41]Dwight Eisenhower, Waging Peace, 1956-61, pp. 624-629.

his foreign policy, and determined his response to various international issues. The Soviet-backed communists, Eisenhower believed, embraced every kind of tactic including force, deceit, economic pressure, distortion and propoganda to achieve their fundamental objective of "domination of the earth's peoples."[42] Cooperative defence organisations, based on mutual respect among the free nations of the world, therefore, were regarded by him as the most effective means of opposing and containing this threat of communist aggression.[43]

Eisenhower clearly defined his position regarding the security of Asia in accordance with the "domino theory" on several occasions. Comparing the various Asian countries to dominoes, this theory stated that if one nation was lost to communism then the neighbouring nations would also automatically fall to communist pressure and aggression. Hence, in order to preserve the freedom and integrity of the free nations in Asia, Eisenhower believed that collective security arrangements were required for the entire region stretching from Eastern Turkey across South Asia, Indo-China and including the countries of Southeast Asia. On one occasion he claimed that the loss of Indo-China to communist control would greatly imperil the security of not only the Malayan

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[42]Ibid., p. 625.

[43]Ibid., p. 629.

peninsula and Indonesia, but also of Burma, India and Iran, and that only strong collective defence organisations could prevent this occurrence.[44] As such, the United States extended its military commitments to Asia through the Southeast Asia Treaty Organisation (SEATO) formed in 1954 and the Baghdad Pact (later known as CENTO) formed in 1955.[45]

In striking contrast, Prime Minister Nehru vehemently opposed the idea of military alliances, adding that they had only served to heighten cold war tensions, particularly in the Indian subcontinent.[46] Describing the concept of non-alignment as one that essentially meant "friendship toward all nations uncompromised by adherence to any military pacts," Nehru stated that his policy also meant "freedom of action" which was a vital part of independence.[47] "It implied," he believed, "a conviction that good and evil are mixed up in this world, that the nations cannot be divided into sheep and goats, to be condemned or approved accordingly, and that if [India] were

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[44]Remarks at the Governor's Conference, Seattle, August 4, 1953, Public Papers, Eisenhower, 1953, pp. 540-541.

[45]The members of SEATO were France, Great Britain, the United States of America, Australia, New Zealand, Pakistan, the Phillipines and Thailand. Although the United States did not formally join CENTO, whose members were Great Britain, Iran, Pakistan and Turkey, it continued to give its powerful blessings to the organisation.

[46]See, Jawaharlal Nehru, "Opposition to Military Pacts," India's Foreign Policy, pp. 87-98.

[47]Jawaharlal Nehru, "Changing India," Foreign Affairs, (April, 1963), pp. 456-457.

to join one military group rather than the other it was liable to increase and not diminish the risk of a major clash between them."[48] Defending non-alignment, Nehru dismissed the allegation that it was a "sitting-on-the-fence" policy, and that it did not imply "isolation" from world affairs in any way.[49] In fact, India was convinced that it could help far more in the process of achieving global peace by taking an individual stand whenever any crisis arose than by allying with one of the power blocs in the cold war.[50]

Furthermore, Nehru and Eisenhower sharply differed in their perception of the cold war with respect to Asia. While Nehru opposed the extension of the cold war into Asia and sought to prevent its entry into the Indian subcontinent, Eisenhower believed that it had already engulfed large parts of Asia, and affected the security of South Asia as well.[51] As such, Eisenhower believed that it was absolutely essential for the countries of the free world to take appropriate measures to ensure the security of the newly independent democratic nations in Asia from communist aggression by the Soviet Union and China. Collective defence arrangements among

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[48]Ibid., p. 457.

[49]From speech delivered at the Indian Council of World Affairs, Delhi, March 22, 1949, India's Foreign Policy, p. 47.

[50]Ibid., pp. 47-48.

[51]See J. Jernegan, "American Policy toward India and the Security of South Asia," The Annals of the American Academy of Political and Social Science, 294 (1954), pp. 131-137.

the free nations were, therefore, seen as the solution to this problem - a concept to which Nehru remained bitterly opposed.

Consequently, certain events that took place in the 1950s caused some tension and misunderstanding between the United States and India during this period. One of the issues that saw the Americans and the Indians on opposing sides was the Korean war. India's opposition to the Acheson Plan and the US decision to exclude India from the Korean Conference in early 1953 contributed to ill-feelings in both the countries.[52] Most scholars are of the view that Nehru's position on the Korean war was largely responsible for the actions of the Congress in delaying the 1951 India wheat loan. Antagonised by Nehru's refusal to condemn Chinese actions in Korea, the Congress reacted sharply to India's request for economic aid. Similarly, Eisenhower was also of the view that Nehru had wrongly sympathised with the Chinese and the North Koreans in this issue. On the other hand, Nehru accused the United States of wrongful intervention and its inability to comprehend political realities in the region.[53] Yet, the two leaders exchanged cordial messages on more than one occasion expressing appreciation of each other's actions, including Nehru's message of congratulations to Eisenhower on the signing of the P.O.W. Agreement at Panmunjom; Eisenhower's

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[52]For a discussion, see, Subimal Dutt, With Nehru in the Foreign Office, pp. 218-222.

[53]Ibid., p. 221.

appreciation of India's participation in the Neutral Nations Repatriation Commission and his message to Nehru commending the Indian custodial forces in Korea.[54] As such the Korean question can hardly be regarded as an indicator of the relations between Eisenhower and Nehru, more so because it ceased to be an important issue after 1953. However, its importance lies in the fact that while it revealed the conflicting approaches of Nehru and Eisenhower, it did not affect relations between them, nor did it diminish the possibilities for better relations between the two countries in the years to follow.

Eisenhower and Nehru also adopted fundamentally different policies toward communist China during this period. While the Nehru government continued to strive throughout the 1950s to improve relations with China, the Eisenhower administration expressed its deep distrust of the communist regime's policies and actions. Undoubtedly, the president's attitude was based on his fundamental opposition to, and disapproval of communism as an ideology and political philosophy which, he believed, deprived the common man of his basic freedom. Moreover, the problems faced by the administration in dealing with the Formosa crisis no doubt had an impact on the nature of

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[54]See, "Exchange of Message between the President and Prime Minister Nehru of India on the Prisoner of War Agreement reached at Panmunjom, June 12, 1953," Public Papers, Eisenhower, 1953, p. 410 and "Message to Prime Minister Nehru Commending the Indian Custodial forces in Korea," Ibid., p. 278.

American policy toward China. As such, relations between the United States and China remained hostile throughout the 1950s.

In contrast, Nehru not only attempted to improve relations between his government and that of Premier Chou-en-lai, but also that between the United States and China. Clearly, he did not share President Eisenhower's distrust of the communist leadership in Peking, and continued to be hopeful of achieving cordial relations with China. Paradoxically, these differences with respect to China only brought the United States and India closer. With China continuing its incursions into Indian territory, it became increasingly clear to the Nehru government that a military conflict was likely in the near future. Such was also the view in Washington. Consequently, during his visit to India in 1959 Eisenhower indicated that the United States would assist India in the event of a communist attack from China. Hence, the worsening state of affairs between India and China indirectly benefitted Indian-American relations, particularly during the last years of the Eisenhower presidency.

The Formosa question, American military aid to Pakistan, the Hungarian problem and disarmament were other issues that caused misunderstanding between the two countries. Nehru's "mild" reaction to the Hungarian crisis and his apparent sympathy for the Soviet Union, as well as his stand on

disarmament puzzled Eisenhower.[55] "He [Nehru]," wrote Eisenhower, "seemed to believe, most unrealistically,.... that peace in the dawn of the nuclear age could be brought about by voluntary, unilateral disarmament on the part of the West."[56] On other issues, however, such as the Anglo-French-Israeli invasion of Egypt in 1956, the two leaders shared similar views. Eisenhower's refusal to support British and French efforts to restore colonialism by force illustrated America's essential anti-imperialism to the non-aligned world.[57] Both Nehru and Eisenhower criticised Great Britain, France and Israel, and Nehru commended the role played by the Eisenhower administration in this crisis.[58]

Indian writers have often claimed that the chill in Indo-American relations in the 1950s was due to the "anti-Indian" policies of Eisenhower's Secretary of State, John Foster Dulles who allegedly believed that "neutralism" was as deplorable as communism.[59] Although Dulles was not in favour

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[55]Dwight Eisenhower, Waging Peace, 1956-61, pp. 106-114.

[56]Ibid., p. 107.

[57]Blanche Wiesen Cook, The Declassified Eisenhower: A Divided Legacy, p. 189.

[58]Subimal Dutt, With Nehru in the Foreign Office, pp. 237-238.

[59]See, in particular, R. G. Thomas, "Security Relationships in Southern Asia: Differences in the Indian and American Perspectives," pp. 689-690 and Surjit Mansingh, "India and the United States," in B. R. Nanda, ed., Indian Foreign Policy: The Nehru Years, pp. 156-157.

of Indian non-alignment, he would, as one writer mentioned, rather see the United States lose an ally, like Thailand, than India which was neutral.[60] On his return from a tour of India in June, 1953 Secretary Dulles stated that his visit had cleared up misunderstandings between the two countries, and expressed his approval of Nehru's conduct of Indian foreign policy.[61] He also believed that while India was neutral she was not indifferent to the communist threat, and would choose an appropriate course of action when the need arose. On another occasion, Dulles described relations between India and America as "fundamentally good" stating that India's refusal to ally with the United States would not affect their relations in any way.[62] So, in accordance with the revisionist interpretation, one can conclude that although Dulles' views influenced the nature of American foreign policy, he did not control or decide it, and did not determine American policy toward India.[63] That was a task left to the president himself.

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[60]Fred Greenstein, The Hidden-hand Presidency: Eisenhower as Leader, p. 130.

[61]Statement, by Dulles on his visit to India and Pakistan, June 1, 1953 in R. K. Jain, ed., US-South Asian Relations, 1947-82, volume I, p. 198.

[62]Reply made by Dulles at a news conference, July 11, 1956. See, AFP, 1956, p. 811.

[63]On Dulles' political role and influence, see, H. W. Brands, Jr., Cold Warriors: Eisenhower's Generation and American Foreign Policy (1988), pp. 25-26.

Two important conclusions can be drawn from America's relations with India from 1953 to 1961. First of all, Eisenhower clearly saw Indian non-alignment as a preferable alternative to communism in the Afro-Asian world, and, second, that despite the differences between them, Nehru and Eisenhower found plenty of ground on which to cooperate. Regarding Eisenhower's recognition of Indian non-alignment, it was clearly an important development, and had significant ramifications for Indo-American relations. As early as 1954 Eisenhower recognised that the free nations of South Asia which were demonstrating their ability to progress through democratic methods provided an "inspiring contrast to the dictatorial methods and backward course of events in communist China."[64] In this, he marked a sharp break from the attitudes and policies of the preceding Truman administration. Naturally, he possessed a strong understanding of the implications such a policy was likely to have for American security concerns in the region. Moreover, Nehru's increasing importance in the Afro-Asian world and his determination to abstain from power bloc alliances impressed Eisenhower.[65] Since

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[64]Annual message to the Congress on the State of the Union, January 7, 1954, PP, Eisenhower, 1954, pp. 6-23.

[65]Eisenhower made a reference to Nehru's qualities while comparing him to Italian Prime Minister Antonio Segni, who was "courageous in upholding his own convictions." See, Dwight Eisenhower, Waging Peace, 1956-61, p. 491.

India's position could not be ignored close cooperation between the two countries seemed to be the best policy.

However, while relations between the two countries were determined to a large extent by political expediency, it was also the result of a mutual respect between Eisenhower and Nehru for each other's beliefs and convictions. And their official visits to each other's country promoted this feeling tremendously. At the end of his visit to the United States in December, 1956 Nehru stated that he had achieved a better understanding of the President's approach and his policies toward India.[66] He described American policy as "flexible, adapting itself to circumstances" and not as "rigid" as he had believed it to be.[67] Similarly, Eisenhower who was clearly overwhelmed by the reception he received upon his arrival in India in December, 1959 confirmed the bond of shared ideals between the two countries, their identity of objectives, and their common quest for just and lasting peace.[68] Therefore, in keeping with the main thesis it can be concluded that the Nehru-Eisenhower era constituted a highly successful phase in Indian-American relations, largely the result of a reorientation of American policy toward India as well as the

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[66]Remarks made at a press conference, December 19, 1956, The New York Times, December 20, 1956.

[67]Ibid.

[68]From joint statement following discussions with Nehru in New Delhi, December 14, 1959, PP, Eisenhower, 1959, pp. 846-847.

consistent efforts on the part of the two leaders to facilitate a better understanding of each other's convictions and viewpoints.

2. PAKISTAN IN INDO-AMERICAN RELATIONS

Among the most important factors that determined the precise nature of the relationship between the Nehru and Eisenhower governments in the 1950s was the American policy toward Pakistan. While other factors such as the American attitude toward communist China and economic considerations were significant, the role of Pakistan in shaping the contours of American policy toward India was tremendous. Ever since the late 1940s, when India and Pakistan emerged as independent nations, the United States found it necessary to devise a suitable policy that would make possible satisfactory interaction with the two countries on matters of political, economic and strategic importance. In separate messages to the leaders of the two countries President Truman expressed his government's desire to forge closer bonds of friendship and goodwill with the two countries, and invited their participation and cooperation in international undertakings for the welfare of mankind.[1] However, this task was made difficult by the existence of acute tensions between India and Pakistan following their partition in 1947. Moreover, their divergent views on the conduct of foreign policy presented the United States with the difficult task of achieving a balance in this struggle in order to promote American interests in

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[1]See Truman's message in Arthur Schlesinger Jr., ed., The Dynamics of World Power: A Documentary History of United States Foreign Policy, 1945-1973, volume IV, p. 735.

this region.

Throughout the 1950s India and Pakistan clashed on several issues, including those such as the status of Kashmir, sharing of the Indus river waters, policies toward communist China and relations with the United States. Because of their divergent views on foreign policy, they also adopted different approaches toward the two power blocs. While Nehru professed a strong commitment to non-involvement and non-alignment in the cold war, Pakistan expressed its desire to maintain a close alliance with the United States. What followed was the conclusion of a military pact between the United States and Pakistan in 1954 as well as Pakistan's incorporation into a number of other US-sponsored regional security organisations in subsequent years.

The United States thus formally "entered" the Indian subcontinent and was to play an important role in various developments in this region throughout the period of the Eisenhower presidency. India, naturally, expressed its resentment at this arrangement, adding that it was bound to escalate tensions between her and Pakistan as well as affect relations with the United States.

This chapter will focus on the role of Pakistan in Indian-American relations during the Nehru-Eisenhower era. In particular, it will include a discussion of the 1954 Mutual Defence Assistance Agreement between Pakistan and the United States, and Pakistan's participation in the various US-

sponsored defence systems in the Middle East and Southeast Asia. In addition, it will focus on the Eisenhower administration's approach to, and understanding of various regional issues that involved hostilities between India and Pakistan such as the Kashmir problem. These were issues that not only involved all the three countries, in one way or another, but also shaped their attitudes toward each other, and had a major impact on the nature of American relations with India during this period.

It will be argued here that although the 1954 military alliance did bring about much misunderstanding and tension between the United States and India, it did not disrupt ties between them. In fact, Indo-American relations reached a high point by 1956 following Nehru's official visit to the United States in December that year. Contrary to the interpretations popular in the 1950s and 1960s, particularly among Indian scholars, this study will contend that the American alliance with Pakistan was not designed to antagonise India, or to build up Pakistan against India. Nor was it intended as a counterforce to India's non-aligned and neutralist stance. The principal reason for American interest in Pakistan lay in its conception of Pakistan as a significant military asset for its cold war national security policy. As such, this study will agree with the arguments of historians and political analysts who, in recent years, have concluded that American policy in South Asia was determined primarily by national security

concerns, that is, by Washington's perception of the seriousness of the communist threat to this region.[2] Hence, the 1954 defence alliance with Pakistan must necessarily be seen as a logical response to this threat of communist aggression, and as an arrangement that was meant to serve American strategic and geopolitical needs in Asia. By incorporating Pakistan into its other collective security systems (SEATO and CENTO) the United States did not attempt to undermine India's position in South Asia, nor did it seek to coerce India into reaching a settlement on the Kashmir issue that would be favourable to its ally, Pakistan. As the extensive evidence on this subject suggests, Eisenhower clearly attached more importance on maintaining close and cordial ties with India and with Prime Minister Nehru. As one writer put it, the United States at all times seemed to be drawn irresistably toward India, thereby rendering its alliance with Pakistan "seriously flawed, if not a complete failure."[3]

The idea of an American military alliance with Pakistan first emerged during the late 1940s in the writings of an

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[2]See, in particular, Robert McMahon, "United States Cold War Strategy in South Asia: Making a Military Commitment to Pakistan, 1947-1954," The Journal of American History, 75:3 (December, 1988), pp. 812-840 and Gary Hess, "Selected South and Southeast Asian Responses to US-Soviet Regional Competition," in Robert Clawson, ed., East-West Rivalry in the Third World: Security Issues and Regional Perspectives (1986), pp. 291-314.

[3]Gary Hess, Ibid., pp. 293-294.

eminent British civil servant, Sir Olaf Caroe.[4] In his study, Sir Olaf identified the Persian Gulf as a vital region not only because of its tremendous oil resources but also because of its strategic location as a "bridge" between the eastern and western hemispheres. Prescribing to the "power vacuum" theory in his study, Caroe maintained that it was essential for the Western powers, and particularly the United States, to take appropriate measures in the Persian Gulf so as to prevent the domination of this region by the communist world. He argued that stability and security in this region could only be achieved through a series of defence pacts between the various independent nations of the Middle East and South Asia as well as the active participation of the Western powers in the security arrangements of this region. Since Nehru had announced India's decision to refrain from participation in alliances of any sort, Sir Olaf excluded India from his proposal, and placed more emphasis on the role that Pakistan could play in such a defence system. In his view, Pakistan was

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[4]This argument was put forward by Selig Harrison in a series of articles on the relations between India, Pakistan and the United States in 1959. See, "India, Pakistan and the US-I: Case History of a Mistake," pp. 10-17. In 1951 Sir Olaf Caroe published a book, Wells of Power: The Oilfields of South-Western Asia which analysed the political situation in the Persian Gulf following the weakening of British imperial power in the postwar years, and the implications of this development for the nations of the free world. In addition, an article by Caroe was published in the March, 1949 issue of the British journal The Round Table. See, also, Robert McMahon, "United States Cold War Strategy in South Asia: Making a Military Commitment to Pakistan, 1947-54," p. 824.

in a position to provide the lead in any Middle East security plans because of its historic and religious links with the Islamic nations of this region, its favourable attitude toward Western liberal ideas, as well as its strategic geographical location. He maintained that since the Persian Gulf opened directly on the Pakistani port-city of Karachi, any military arrangement in this region would necessarily have to include Pakistan.[5] Pakistan thus constituted the "periphery" of his proposed defence system, and since India was located outside this region, it could be excluded from any such security set-up. Following deliberations between Caroe and Henry Byroade, who took over as the Assistant Secretary of State for Near East, South Asian and African Affairs in December 1951, Caroe's proposals came under serious review by the Truman administration, being subsequently incorporated into the administration's Asian policies.[6]

In its first policy paper on South Asia the Truman administration gave much thought to the security of the Middle East region, and identified the countries of Turkey, Iran and Pakistan as the important constituents of a possible American

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[5]Olaf Caroe, Wells of Power, pp. 184-196. See also, Selig Harrison, "India, Pakistan and the US-I: Case History of a Mistake," pp. 15-16.

[6]Ibid., pp. 14-15.

sponsored defence system.[7] While deliberations on this proposal took place in both the United States and Pakistan, it did not acquire any concrete shape until the early years of the Eisenhower administration. In continuation of President Truman's policies of "containment" through the Mutual Security Program the Eisenhower administration accepted Pakistan's request for military aid, thereby bringing into effect an alliance between the two countries on May 19, 1954.

Under this alliance, the United States provided Pakistan with equipment, training and facilities for its army, navy and airforce units. In addition, a number of agreements were also signed between the two countries throughout the second half of the 1950s which provided for the construction of military and related facilities for use by the Pakistani armed forces. Furthermore, under the mutual security program, Pakistan received substantial economic assistance in "defence support," that is, economic aid that was meant to offset the cost of Pakistan's military effort. From 1952 through FY 1959, Pakistan received almost $481.1 million in military aid alone, which made her among the largest recipients of American economic assistance in Asia and the Near East during this period.[8]

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[7]See, NSC policy paper 98/1, "The Position of the United States with Respect to South Asia, January 22, 1951, FRUS, 1951, volume VI.

[8]US Department of State, Pakistan: Mutual Security in Action, Fact Sheet, 1960. See also, appendix 1, p. 125.

Ever since, the 1954 Mutual Defence Assistance Agreement between the United States and Pakistan has been the subject of intense debate among scholars and political writers, prompting an outburst of literature on its various aspects during the recent years. The existing body of literature has, more or less, focussed on two major issues: first, on the motives or objectives of the United States in forging this alliance, and secondly, on its effects on Indo-American relations. By and large, most Indian, and to some extent American, writers have concluded that this alliance represented a "turning point" in Indian-American relations - that it set in motion the process of disillusionment and the steady deterioration of relations between the two countries.[9] Some writers argued that India deeply resented the military alliance between the United States and Pakistan because she believed that it brought the cold war to her borders and altered the regional balance of power.[10] Others claimed that

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[9]While the historiography of this topic is fairly substantial, the most important studies include those by Gary Hess, "Selected South and Southeast Asian responses to US-Soviet Regional Competition," pp. 291-314; B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," pp. 21-38; William Barnds, "India and America at Odds," pp. 371-384; Charles Heimsath, "United States-Indian Relations: A Generation of Unfulfilment," pp. 469-479; Norman Palmer, "The United States and India," pp. 43-50 and Selig Harrison, "India, Pakistan and the US-I: Case History of a Mistake," pp. 10-17, "II: Cost of a Mistake," pp. 20-25 and "III: Undoing a Mistake," pp. 11-17.

[10]B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," pp. 21-38.

the alliance threatened India's predominance in the region and reduced her international prestige, thus provoking intense opposition from the Nehru government.[11] Still others accused the Americans of evolving a policy for the Indian subcontinent based on "calculated indifference" to the geographical and historic interdependence of India and Pakistan.[12] "The decision to give Pakistan military aid," Selig Harrison argued in 1959, "was in effect a more sweeping decision to set up independent relationships with New Delhi and Karachi for what cold war benefit could be gained."[13]

Quite naturally, the decision of the United States to grant military aid to Pakistan drew a sharp reaction from the Indian government, and particularly from Prime Minister Nehru. Being an offshoot of the policy of containment, this alliance virtually brought the cold war to India's doorstep.[14] Nehru, who had repeatedly expressed his opposition to any military alliances that directly or indirectly affected India described this development as an "unfriendly act" by the Americans

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[11]Gary Hess, "Selected South and Southeast Asian Responses to US-Soviet Regional Competition," p. 298 and S. C. Mudumbai, United States Foreign Policy toward India, p. 125.

[12]Selig Harrison, "India, Pakistan and the US-I: Case History of a Mistake," p. 10.

[13]Ibid., p. 10.

[14]B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," p. 22.

toward India.[15] He saw in the Pakistani-American alliance both an immediate and a long-term threat to the security of India, and the balance of power in the region.[16] Moreover, Nehru was convinced that Pakistan intended to use its new position of strength to bargain with India on the Kashmir issue.[17] Though the military alliance was meant to enable Pakistan to combat communist aggression, Nehru believed that it was directed primarily against India.

At this point it is necessary to examine the 1954 Mutual Defence Assistance Agreement to ascertain its nature and objectives. Was the alliance purely defensive, or did it seek to enhance Pakistan's position in South Asia and enable it to challenge that of India? Article I of the agreement clearly stated that while Pakistan was to "use this assistance exclusively to maintain its internal security, its legitimate self-defence or to permit it to participate in the defence of the area, or in United Nations collective security arrangements and measures," it was not meant to "undertake any

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[15]Sarvepalli Gopal, Jawaharlal Nehru, volume II, p. 187.

[16]Ibid., pp. 186-187.

[17]Following the partition of India and Pakistan in 1947, Kashmir, located at the northernmost tip of India was claimed by both countries. It became the scene of conflict shortly after partition, and in 1948 the dispute over its status was brought before the United Nations Security Council.

act of aggression against any other nation."[18] It also stated that the Government of Pakistan could not, without the prior agreement of the United States, use this assistance for purposes other than those for which it was provided. Furthermore, article V of the agreement required Pakistan to contribute in promoting international understanding and goodwill, maintaining world peace, and eliminating the causes of international tension.[19]

Clearly the underlying purpose of this act was to build up Pakistan as an effective security force and as a protective shield against communist incursions into this region. It was meant to provide the United States with a base from which it could monitor the situation in the Middle East and South Asia, and organise a counter-attack against any aggression by communist forces. Moreover, since Pakistan formed a "bridge" between the Middle East and Southeast Asian regions its security was essential and could only be maintained through a system of alliances and external aid.[20]

This alliance did not, in any certain terms, indicate that the military aid received by Pakistan was directed

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[18]For text, see, AFP, 1950-55, volume II, pp. 2194-2197. It can also be found in the Middle East Journal, 8 (1954), pp. 338-340.

[19]Ibid., p. 2197.

[20]Aziz Ahmed, "American Alliances with Asian Countries," The Annals of the American Academy of Political and Social Science, 330 (July, 1960), pp. 59-66.

against India. On the contrary, it clearly stated that the assistance furnished to Pakistan under this agreement was not to be used for aggression against any nation. It was meant for legitimate defence purposes only. Nevertheless, Nehru continued to be suspicious of the actions of the Pakistani government and claimed that Pakistan's refusal to sign a "non-aggression pact" with India was an indication of its intentions regarding the military aid from the United States.[21] He pointed out that this alliance was likely to create the conditions which would facilitate and encourage aggression in South Asia.[22] "It is not a question of motives," he stated, "but rather of certain results which inevitably follow certain actions, and it has seemed to [India] in regard to this matter of military aid to Pakistan, that the results are bound to be unfortunate."[23]

In order to clearly state the position of his administration on the proposed alliance with Pakistan, President Eisenhower sent a personal letter to Nehru in which he assured him that American military aid to Pakistan would not in any way affect the friendly relations that existed

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[21]From a statement in Parliament, March 1, 1954. See, A. Appadorai, Select Documents on India's Foreign Policy and Relations, volume I, pp. 264-270.

[22]Ibid., p. 266.

[23]Ibid., p. 265.

between India and the United States.[24] He explained that based on a careful examination of the situation in the Middle East, the United States had concluded that an alliance with Pakistan would not only solve the security problems of this region but was also in the interests of the entire free world.[25] "What we are proposing to do, and what Pakistan is agreeing to," he wrote, "is not directed in any way against India." Furthermore, he confirmed that if the American military aid to Pakistan was "misused", he would, in accordance with his constitutional authority, take appropriate steps both within and without the UN to thwart any such action.[26]

Eisenhower's letter seemed to somewhat mollify Nehru who in his reply to the president expressed his appreciation of the assurances given by him.[27] Following a meeting with Nehru on February 24, 1954, Ambassador George Allen in a telegram to the Department of State, claimed that while Nehru was likely to issue a strong public statement against the alliance no other serious reactions or consequences were expected in India.[28] In other words, he did not believe that the military

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[24]See, "Letter to Prime Minister Nehru of India concerning U.S. Military Aid to Pakistan, " February 25, 1954, PP, Eisenhower, 1954, pp. 284-285.

[25]Ibid., p. 284.

[26]Ibid., p. 284.

[27]See Nehru's letter in R. K. Jain, ed., US-South Asian Relations, volume I, p. 202.

[28]FRUS, 1952-1954, volume XI, pp. 1737-1739.

pact with Pakistan threatened Indo-American relations in a major way.

It must be pointed out here that the Eisenhower administration was fully aware of the consequences this alliance was likely to have on its relations with India. The president had, on more than one occasion, claimed that it was the policy of his government to maintain friendly relations with the entire subcontinent, and that the United States would be most cautious in indulging in any act that was likely to cause unrest or distress in India.[29] Although the Eisenhower administration acknowledged in its first policy paper on South Asia that the possibility of military aid to Pakistan would inevitably provoke an adverse reaction in India, it was determined to proceed with its policy in this region.[30] At the same time NSC 5409 clearly stated that by providing military assistance to Pakistan, the United States was not seeking to make Pakistan the dominant power in South Asia.[31]

It seems that the Eisenhower administration did not have before it any other policy alternatives regarding its security interests in South Asia. It is clear that the containment of communism was by far the predominant and overriding objective of American foreign policy during this period. The

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[29]The President's News Conference of November 18, 1953, PP, Eisenhower, 1953, p. 786.

[30]NSC 5409, FRUS, 1952-1954, volume XI, pp. 1089-1096.

[31]Ibid., p. 1094.

administration's and Eisenhower's personal "obsession" with the menace of communist aggression determined the nature of American policy toward the Indian subcontinent. Ideally, the United States had hoped for India's participation in regional defence arrangements such as SEATO and CENTO, which, the Eisenhower administration believed, would serve as a bulwark against any further communist penetration into Asia. Naturally, India's support was vital since she was by far the most important nation in South Asia, in terms of her political influence, economic and military potential, and her tremendous manpower. But since Nehru had virtually ruled out the possibility of any defence agreement between the United States and India, the Eisenhower administration had only one option - that of incorporating Pakistan into its defence arrangements in the region. Moreover, Pakistan's enthusiasm and willingness to enter into an alliance with the United States appealed to the Eisenhower administration.

Clearly then, the decision of the Eisenhower administration to conclude a military alliance with Pakistan must be seen as being consistent with the basic American policy of "collective security." It must be regarded as an exercise in achieving global peace, economic development and freedom through the principles and concept of "mutual security." The Mutual Security Program, as Eisenhower defined it, was based upon the premise that there could be no safety except in cooperative efforts to build and sustain the

strength of the free world.[32] He believed that it constituted a practical and effective means to counter the communist strategy which sought to divide, isolate and weaken the free world. Moreover, he concluded that it was mutually advantageous to the American economy and to the economies of the countries that received this assistance.[33] The Mutual Defence Assistance Agreement with Pakistan was, therefore, an outcome of this concept. Similar alliances were also concluded with several other countries including Turkey, Vietnam, Iran and Greece over the next few years. Furthermore, the concept of mutual security provided the base upon which collective security organisations were built and structured in the mid-1950s.

In a recent study, it was concluded that the US decision to enter into a military alliance with Pakistan was fundamentally linked to the crucial issue of maintaining Western power and influence in the Middle East.[34] The British and the Americans, alarmed at the increasing Arab-Israeli antagonisms, regional instability and the emergence of strong anti-western feelings, as well as the possibility of Soviet aggression in this region were anxious to form a Middle East

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[32]"Special Message to the Congress on the Mutual Security Program," June 23, 1954, PP, Eisenhower, 1954, pp. 590-594.

[33]Ibid., p. 591.

[34]Robert McMahon, "United States Cold War Strategy in South Asia: Making a Military Commitment to Pakistan," pp. 812-840.

defence organisation. For this purpose, they sought Pakistan's participation and support. They believed that as an Islamic nation having strategic, political and cultural ties with the Middle East, Pakistan was in a position to make a positive contribution to any Western Middle East defence efforts.[35]

That the military aid granted by the United States to Pakistan was not directed against India is also clearly borne out by the fact that it was simultaneously offered to India as well. In his letter to Prime Minister Nehru, Eisenhower stated that in the interest of the free world India needed to have a strong defence capability, and that if she required military assistance from the United States, her request for it would receive his "most sympathetic consideration."[36] This point was also re-emphasised by Ambassador Allen during his meeting with Nehru on the eve of the announcement regarding the proposed alliance with Pakistan.[37] Naturally, Nehru's rejection of this offer is quite a different matter. Since he firmly believed that any sort of military aid or alliances were not the solution to the subcontinent's problems, he declined Eisenhower's offer. Moreover, Nehru claimed that in asking for any such aid India would not only appear to be "unprincipled" and opportunistic, but would also be branded

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[35]Ibid., pp. 822-828.

[36]PP, Eisenhower, 1954, pp. 284-285.

[37]FRUS, 1952-1954, volume XI, pp. 1737-1739.

as a "hypocrite" as she was opposing its availability to Pakistan.[38]

Pakistan's incorporation into SEATO in September 1954 and the Baghdad Pact in September 1955 also provoked a sharp reaction from the Nehru government. The Indian Prime Minister opposed the formation of these defence arrangements for several reasons. First of all, since they were an offshoot of the cold war and the American policy of containment, he believed that they were bound to cause much tension in Asia. Describing the inauguration of the SEATO as "disturbing" Nehru claimed that it was likely to escalate regional tensions and hostilities, thereby obstructing any attempts made at achieving peace in this region.[39] While Eisenhower affirmed that the treaty was "designed to promote security and peace in Southeast Asia and the Southwestern Pacific by deterring communist and other aggression," Nehru took exception to its motives and intentions in the region.[40] Similarly, Nehru claimed that the Baghdad Pact had created greater tension and conflict in Western Asia, "Set[ting] in motion all the wrong

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[38]From statement in Parliament, March 1, 1954. See A. Appadorai, Select Documents on India's Foreign Policy and Relations, volume I, pp. 266-267.

[39]From a speech during a foreign affairs debate in Parliament, September 29, 1954. See Jawaharlal Nehru's Speeches, 1953-1957, volume III, pp. 265-273.

[40]"Special Message to the Senate Transmitting the Southeast Asia Collective Defence Treaty and Protocol Thereto," November 10, 1954, PP, Eisenhower, 1954, pp. 1041-1042.

tendencies" in the Middle East.[41]

Secondly, he opposed the formation of any sort of alliances because they stood in sharp contrast to his policy on non-alignment and free neutralism in international relations. To Nehru, the American effort to maintain military alliances in Asia seemed both "immoral" and "dangerous" since it encouraged developing nations to become involved in an arms race against each other rather than focussing on regional economic and development issues.[42] Non-alignment, as opposed to the system of military alliances was essentially an exercise in co-existence and did not view the world as being divided into two rival camps.[43] In fact, Nehru claimed, it contributed in a more positive way to reducing the risks of war and the maintenance of regional balances in Asia.

But, perhaps, most of all, Nehru opposed the existence of SEATO and the Baghdad Pact because of Pakistan's participation in their defence strategies. To Nehru, it seemed that Pakistan had agreed to participate in Middle East and Southeast Asian defence efforts in order to strengthen its position vis-a-vis India. Clearly apprehensive of its motives,

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[41]From a speech in Parliament, March 29, 1956. See, A. Appadorai, Select Documents on India's Foreign Policy and Relations, volume I, p. 275.

[42]R. G. Thomas, "Security Relationships in Southern Asia: Differences in the Indian and American Perspectives," p. 696.

[43]From Nehru's speech in Parliament, February 25, 1955. See Jawaharlal Nehru's Speeches, volume III, pp. 280-287.

Nehru accused Pakistan of joining the defence organisations because of its "hostility" toward India.[44] Taken together, the Manila Treaty and the Baghdad Pact suggested that Pakistan had succeeded in encircling India with a ring of hostile alliances.[45] "Surely, nobody [here] imagines," he stated, "that the Pakistan Government entered into this [Baghdad] Pact because it expected some imminent or distant invasion or aggression from the Soviet Union.....it [is] perfectly clear that they have joined this pact because of India."[46]

The Eisenhower administration's decision to renew its alliance with Pakistan in March 1959 seemed to make matters worse since it assured Pakistan of continued American military aid for defence purposes.[47] Despite assurances from the United States that this agreement with Pakistan had no effect other than the extension of the Eisenhower Doctrine to cover Pakistan, Nehru continued to be suspicious of Pakistan's motives and somewhat disapproving of American interference in Asian affairs. While he repeatedly stated that his government did not doubt the intentions of the Eisenhower administration

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[44]From speech in Parliament, March 29, 1956. See, A. Appadorai, Select Documents on India's Foreign Policy and Relations, volume I, p. 275.

[45]Sarvepalli Gopal, Jawaharlal Nehru, volume II, p. 251.

[46]Ibid., p. 275.

[47]For text, see, R. K. Jain, ed., US-South Asian Relations, volume II, pp. 156-158.

in its efforts to achieve and maintain global peace and security, he believed that the alliance in the Indian subcontinent and in Asia tended to encourage the Pakistan authorities in their aggressiveness, thus threatening the security of India.[48]

Consequently, most scholars on Indo-American relations argued that Pakistan's military alliance with the United States as well as its membership in SEATO and the Baghdad Pact not only antagonised India but also rapidly escalated the South Asian arms race and turned New Delhi toward Moscow in search of military support.[49] No doubt, the US association with Pakistan did cause much ill-feeling between the United States and India, prompting the Nehru government to express its resentment of American policy in the strongest of terms. Nevertheless, it did not fundamentally alter the nature of the relations between the two countries. The United States and India continued to maintain cordial relations with each other throughout the period of the Eisenhower presidency despite their differences over the position of Pakistan.

This can be accounted for by suggesting that what Nehru in fact objected to was not so much the role of the United States but rather the attitude and intentions of Pakistan. It

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[48]See Nehru's statement on military aid to Pakistan, March 13, 1959, Jawaharlal Nehru's Speeches, volume IV, pp. 287-288, 289-290.

[49]Stanley Wolpert, Roots of Confrontation in South Asia: Afghanistan, Pakistan, India and the Superpowers, p. 142.

seems that Nehru fully grasped the essence of Eisenhower's policy toward South Asia, and was confident that his administration was not aiding Pakistan with the intention of encouraging or supporting Pakistani aggression against India. In fact, for the most part, Nehru directed his strong verbal attacks against the Pakistan government itself. That Nehru was fully justified in fearing possible aggression from Pakistan has been proven by scholars in several recent studies.[50] Clearly Pakistan saw its alliance with the United States as an opportunity to arm itself against India, and to thereby influence the settlement of various regional crises in its favour. It intended to use American military aid not against communist incursions but rather against any "aggression" in the region. The Pakistan government had, on several occasions, made clear its intentions regarding the military aid that it was receiving from the United States, thus confirming Nehru's suspicions and doubts.

Nevertheless, Eisenhower continually assured Nehru that his administration's actions in South Asia were fully in keeping with the policy of containment, and were directed primarily toward achieving global peace and security. His decision to aid Pakistan was by no means calculated to build up Pakistan as a counterforce to Nehru's non-alignment. Nor

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[50]Robert McMahon, "United States Cold War Strategy in South Asia: Making a Military Commitment to Pakistan," pp. 812-840.

did his administration seek to undermine India's position in the subcontinent or in the international sphere. The close association with Pakistan was primarily designed to serve American security concerns in South Asia by building a military structure that could be conveniently employed to counter any threat of communist aggression in this region. As for its participation in Middle East and Southeast Asian defence efforts the United States believed that Pakistan, by virtue of its strategic location and tremendous "defence potential" was in a position to make a positive contribution to US security efforts in Asia. Consequently, the United States sought to promote a better understanding in South Asia of the aims of SEATO and the Baghdad Pact, encouraging cooperation with these defence arrangements.[51]

On other regional matters concerning India and Pakistan, the Eisenhower administration adopted a more cautious approach. As a member of the United Nations Security Council the United States found itself playing the role of a mediator in the struggle between India and Pakistan over the Kashmir problem. Although this issue began as a local dispute involving the status of the Kashmir state, it soon assumed greater significance as the United States expressed its interest in the settlement of this conflict, and by 1954 it had become linked with other regional issues such as the

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[51]See, NSC 5701 and NSC 6105 in Documents.

American military alliance with Pakistan, and Pakistan's participation in American defence arrangements. Consequently, a substantial amount of literature has been published on the Kashmir problem, part of which deals extensively with the impact of this issue on Indian-American relations.[52] By and large, most Indian scholars alleged that by supporting the Pakistan government's stand on the settlement of the Kashmir issue the United States caused much resentment in India. Furthermore, by concluding a military alliance with Pakistan the United States had enabled it to seek a military showdown with India over the Kashmir issue. These developments, they argued, considerably strained relations between the Eisenhower and Nehru governments, and made impossible any mutually acceptable resolution of this problem.[53]

Given the evidence presented here, it can be argued that the Eisenhower administration not only adopted a balanced approach to this crisis but also made clear that it favoured a settlement based on the principles espoused by the United Nations. No doubt, American interest in this conflict was, to

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[52]See, in particular, Sarvepalli Gopal, Jawaharlal Nehru, volumes II and III; Ved Vati Chaturshreni, Indo-US Relations, pp. 135-204; S. C. Mudumbai, United States Foreign Policy toward India, pp. 79-106; Surjit Mansingh, "India and the United States," pp. 151-169 and Phillips Talbot and S. L. Poplai, India and America: A Study of their Relations, pp. 71-86.

[53]See, in particular, Subimal Dutt, With Nehru in the Foreign Office, pp. 227-228 and Adda Bozeman, "India's Foreign Policy Today: Reflection upon its Sources," pp. 272-273.

a large extent, influenced by its perception of the Kashmir region as a significant component in the "ring of deterrence" designed to check communist expansion in Western and Southern Asia, and possibly attempted to gain access to this region by intervening in the struggle between India and Pakistan. Nevertheless, an examination of the NSC policy statements on South Asia during the Eisenhower years suggests that his administration did not favour the stand of one country over the other, and that it sought to encourage a settlement that was mutually acceptable to both India and Pakistan on this issue.[54] Moreover, the president declined to raise the issue of Kashmir with India on the request of Pakistan's President Ayub Khan in 1959, stating that the initiative would have to come from India.[55] A similar approach was also adopted toward the settlement of the Indus river waters dispute between India and Pakistan which finally resulted in an Indo-Pakistan treaty on this issue under the auspices of the World Bank in 1960.

In conclusion, then, the Nehru-Eisenhower era was one of amicable and cooperative ties between the two countries despite the American relationship with Pakistan. It must be recognised that since both India and Pakistan occupied very distinct positions in the security plans of the United States

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[54]See NSC 5409, February 19, 1954, FRUS, 1952-1954, volume XI, pp. 1094-1095. See also, NSC 5701, January 14, 1957 and NSC 6105, January 19, 1961, Documents.

[55]The New York Times, December 9, 1959.

during this period American policy was fashioned accordingly to accommodate their individual interests. So, while Pakistan was seen as possessing a tremendous defence potential, India was ignored primarily because of her policy of non-alignment and non-involvement, and her refusal to join one of the two power blocs in the cold war. American military aid was granted to Pakistan and not to India solely because the Nehru government declined any such assistance and association with the United States.[56] But despite India's neutralism, the Eisenhower administration continued to display a keen interest in her development, constantly seeking to impress upon the Nehru government the importance of cooperation with the nations of the free world.

The allegation that the conflict between India and Pakistan was occasioned solely by the involvement of the United States in the affairs of the subcontinent is somewhat incorrect and not based on any conclusive evidence. Tensions had existed in the subcontinent ever since India and Pakistan became independent in 1947, long before the United States began to take an interest in South Asian affairs. Moreover, hostilities between India and Pakistan were based on their divergent approaches to the settlement of regional issues such as the Kashmir problem, rather than their perception of the

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[56]Phillips Talbot and S. L. Poplai, India and America: A Study of their Relations, p. 70.

nature of American policy in South Asia.

Nevertheless, the American presence in the subcontinent, particularly in the form of the military alliance with Pakistan, exacerbated tensions in the region, in turn, affecting relations between India and America during this period. It is clear that while the Eisenhower administration's decision to conclude a military alliance with Pakistan was not designed to build up Pakistan against India, that was, no doubt, its effect. Although the administration acknowledged the fact that the alliance was likely to escalate hostilities between India and Pakistan, it did not believe that it would eventually result in armed conflict in the subcontinent.

Also, since the United States was aware of the fact that a Soviet invasion of South Asia was not "imminent" and did not seem likely in the near future, a military commitment to Pakistan could have been avoided.[57] Although the Eisenhower administration was justified in fearing possible aggression from communist China in South Asia, its policy of extending arms aid to Pakistan was hardly likely to provide a solution to this problem. In fact, in this matter, the US would have to deal directly with the Nehru government. Nor did the United States need to fear the possibility of India ever becoming communist itself. While historic forces shaped India's neutral

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[57]See, NSC 5409, February 19, 1954, FRUS, p. 1089. See also, "Memorandum by the Assistant Secretary of State for Near Eastern, South Asian and African Affairs (Byroade) to the Acting Secretary of State, March 1, 1954," Ibid., p. 1119.

attitude, it also made her basically anti-communist and very wary of the Chinese and Russian tendency toward expansion.[58]

Variously described as a "mistake" and "the worst single blunder in US South Asian Policy" the US military alliance with Pakistan had several other important consequences on Indo-American relations as well.[59] Most important of all, it set in motion a chain of developments which eventually led to the expansion of Soviet influence in India.[60] India increasingly turned to the Soviet Union for military and economic support, though particularly after 1965. Nehru sought defence support from the Soviet Union primarily to counter the military aid that Pakistan was receiving from the United States as a result of its alliance. Hence, although Nehru rejected Eisenhower's offer of American military aid in 1954, he was forced to turn to the Soviet Union for the same in order to maintain the regional balance of power in the subcontinent.

Any analysis of American policy toward South Asia must recognise the fact that the United States faced a somewhat

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[58]Robert Trumbull, "Behind India's Foreign Policy," The New York Times Magazine, October 5, 1952.

[59]Selig Harrison, "India, Pakistan and the US-I: Case History of a Mistake," pp. 10-17 and Stanley Wolpert, Roots of Confrontation in South Asia, p. 142.

[60]B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," p. 23 and Gary Hess, "Selected South and Southeast Asian Responses to US-Soviet Regional Competition," p. 298.

complex and challenging situation in this region. As a result of Nehru's non-alignment stance, the United States concluded a defence alliance with India's hostile neighbour, Pakistan. At the same time, it could not ignore India which had not only emerged as the most powerful nation in South Asia but also as the leader of the "non-aligned" bloc. While the Eisenhower administration constantly tried to accommodate the interests of both the two major powers in this region, it seemed to be far more concerned with the developments in India alone. Eisenhower clearly attached more importance to maintaining a close working relationship with Nehru throughout the eight years of his presidency, and did not let the alliance with Pakistan deter him in his efforts. As a result, Pakistan became very much the "disillusioned ally" while Nehru continued to be watchful and wary of the effects of this pact on the situation in the subcontinent.[61]

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[61]Gary Hess, Ibid., p. 293.

3. AMERICAN AID TO INDIA:

EISENHOWER'S FOREIGN ECONOMIC POLICY

Economic and commercial interaction between the United States and India was perhaps one of the most significant aspects of their relationship during the Nehru-Eisenhower years. While this era saw the extension of large scale economic assistance to India in the form of loans as well as direct grants on the one hand, it also witnessed cooperation between the two countries in the areas of technical and industrial development. American economic aid entered India through several channels during this period and contributed to almost all the major sectors of the Indian economy. It provided the Nehru government with the much needed financial assistance for the implementation of its Five Year Plans which were designed to promote growth in India's economic and industrial sectors. In addition, the United States participated in the economic development of the subcontinent by playing an active role in the proceedings of the Colombo Plan that was initiated to provide technical and economic assistance to the under-developed countries of South and Southeast Asia. Throughout the Nehru-Eisenhower era the United States constituted the largest single source of foreign economic assistance to India.[1]

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[1]Full-length studies on the economic relations between India and the United States include those by P. J. Eldridge, The Politics of Foreign Aid in India (1969); S. Chandrasekhar, American Aid and India's Economic Development (1965); John P. Lewis, Quiet Crisis in India: Economic Development and

And yet, the question of American economic aid remains one of the most controversial and debated issues in Indian-American relations. Criticism of the economic ties between the two countries has emanated from both sides and has been directed at various aspects of their economic dealings with each other. By and large, Indian criticism of American economic aid policies have focussed on its aims and objectives, and have dealt with the effects of these policies on the course of Indo-American relations.[3] Perhaps, the most serious allegation has been that American economic aid, invariably extended with "strings attached", was designed to coerce India into adopting a more favourable posture toward the American position in the cold war. Economic aid was to be used as a "diplomatic weapon" to gain India's support on

American Policy (1962); and Charles Wolf, Jr., Foreign Aid: Theory and Practice in Southern Asia (1960). See also, S. C. Mudumbai, United States Foreign Policy toward India, pp. 41-64; Robert Johansen, United States Foreign Aid to India: A Case Study of the Impact of U.S. Foreign Policy on the Prospects for World Order Reform, World Order Studies Program, Occasional Paper no. 2, Princeton University (1975); J. F. Loomba, "U.S. Aid to India, 1951-1967: A Study in Decision-Making," India Quarterly, 28 (1972), pp. 304-331; J. P. Nichols, "United States Aid to South and Southeast Asia, 1950-1960," Pacific Historical Review, 32 (1963), pp. 171-184; P. Talbot and S. L. Poplai, India and America: A Study of their Relations, pp. 137-154.

[3]Comprehensive critical assessments of American economic aid policies include those by B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," pp. 25-27; Charles Heimsath, "United States-Indian Relations: a generation of unfulfilment," pp. 475-477; Marshall Windmiller, "American Relations with India: A Re-appraisal," pp. 35-37 and R. N. Rosecrane, "The Aims and Methods of American Policy in Asia," pp. 19-21.

crucial international issues. The Nehru government strongly disapproved of the American policy that foreign economic assistance was meant to serve as an instrument for reinforcing allied military strength around the periphery of the communist world.[3] It was also widely held among critics that since the United States had antagonised India on account of its military alliance with Pakistan, it used economic aid as a form of compensation that was meant to mollify the Indian government. On the other hand, American criticism of the economic relations between the two countries was based on the allegation that even though the United States was the single largest contributor of foreign economic assistance to India, the Nehru government continued to be distrustful and unappreciative of this aid. Such accusations, political and economic writers have suggested, not only created ill-feelings but also greatly hampered the development of strong economic ties between the two countries.

This chapter will attempt an analysis of President Eisenhower's foreign economic policy toward India, and its impact on the overall relations between India and America during this period. In contrast to the Truman administration's policies, the Eisenhower administration attached a new importance to maintaining strong economic links with the newly emerging nations in South and Southeast Asia. In addition to

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[3]John Lewis, Quiet Crisis in India, p. 253.

substantially increasing the amount of direct grants to India, the United States also cooperated with the Indian government on several public sector projects, encouraged trade and foreign investment, and extended emergency relief assistance on more than one occasion. As such, American economic assistance constituted more than half of the total foreign aid that India received during the 1950s. Of particular importance is the fact that despite India's professed "neutrality" and Nehru's suspicions of American aid, Eisenhower continually advocated a consistent policy of financial support for the economic and development plans of the Indian government throughout his presidency. This study will contend that in the area of economic and commercial relations, the Eisenhower-Nehru era was characterised by cooperation and achievement, making it one of the most successful periods in the history of Indo-American relations.

As a result of the Eisenhower revisionism that began in the late 1960s, several important studies published subsequently shed new light on Eisenhower's foreign economic policy and his handling of global economic issues. Revisionist writers have claimed that not only did Eisenhower reorient the mutual security program away from military aid and toward economic assistance, but was also the first president to shift the geographical direction of US foreign aid toward the

developing world.[4] Certain events in Asia, particularly the French defeat in Indo-China, forced the Eisenhower administration to re-evaluate its foreign economic policies and to pay more attention to the development needs of the Third World nations.[5] Furthermore, with the inauguration of SEATO in 1955 the United States found itself faced with a new military and economic commitment in Asia. As the president acknowledged in a press conference the same year, these developments necessitated the evolution and implementation of a new economic policy for Asia.[6] At the same time it became increasingly clear to the president that a new and comprehensive program of expanded international trade, loans, technical and developmental assistance was required if America was to protect her national security interests in the various regions of the globe.

In keeping with this revisionist interpretation it can be argued that during the period of the Eisenhower presidency not only did the United States become more attentive to the acute economic needs of India but that it also expressed a sincere commitment to the promotion of India's economic and material progress. As such, the Eisenhower economic policies

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[4]Burton Kaufman, Trade and Aid, p. 208. See also, Robert Griffith, "Dwight D. Eisenhower and the Corporate Commonwealth," pp. 87-122.

[5]Burton Kaufman, Ibid., p. 35.

[6]The President's news conference of March 2, 1955, PP, Eisenhower, 1955, pp. 303-304.

represented a radical departure from the policies of the preceding Truman administration. Foreign aid was not a major feature of the Truman administration's plan for economic development in the Third World or "less developed" countries at any point. American economic assistance was primarily directed toward the economic recovery of postwar Europe which, the Truman administration believed, in turn would automatically restore lagging exports and production in the Third World nations. According to the administration, the less developed countries needed to take measures to create a more favourable environment for private and foreign investment, and to increase exports by liberalising trade regulations. As such, the Truman administration did not offer the third world countries a Marshall Plan of their own.[7] Instead it formulated the Point Four program in 1949 which had several motives including the provision of technical assistance to the less developed countries, increasing production of strategic materials, protecting US foreign investments and guarding against the expansion of communist influence in these countries.[8] However, following the outbreak of the Korean war in 1950 the Truman administration's Point Four program was largely abandoned and replaced instead by a policy that focussed primarily on granting military aid to American allies

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[7]Robert Pollard, Economic Security and the Origins of the Cold War, 1945-1950, p. 203.

[8]Ibid., p. 205.

in Asia. Consequently, American economic aid to India during the Truman years was relatively small and failed to make an impact on economic development prospects. Furthermore, the Congressional debates and accusations that delayed the 1951 wheat loan to India escalated tensions between the two countries rather than increasing cooperation in the area of economic relations.[9] In contrast, the Eisenhower administration advocated a more liberal program of economic assistance to India which, combined with the president's personal understanding of the economic difficulties facing the subcontinent, made for more cordial and rewarding relations between the two countries during the second half of the 1950s.

Any attempt at assessing the success of Eisenhower's foreign economic policy must necessarily include a discussion of the motives or objectives of his policy for this region. An examination of the available evidence suggests that the Eisenhower administration possibly had in mind several considerations that, in one way or another, determined the nature of its foreign economic policy toward India. To a large extent, Eisenhower's Indian policy was a logical outcome of the policy of "containment." Economic aid extended to India was designed to enable her to resist communist aggression by building her economic strength, political freedom and defence establishments. By thus ensuring her political and economic

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[9]Robert McMahon, "Food as a Diplomatic Weapon: The India Wheat Loan of 1951," pp. 349-377.

stability, the United States believed that India would cooperate with the members of the free world in maintaining global peace and economic prosperity through democratic and non-communist methods. This, in turn, would serve American national security concerns by building an international environment that would be conducive to American defence and security interests in Asia. Thus, economic aid to India would indirectly contribute to US security interests in the region and at the same time would enable India to achieve a reasonable level of political and economic stability and progress.[10]

An important objective of American economic aid policy was to demonstrate that non-communist economic systems were more successful, rewarding and hence more preferable to their communist counterparts. Such was the case for India. By providing aid to India in the form of foreign exchange and technical assistance, the United States believed that it could assist India in overcoming the initial hurdles to development, thus putting it on the road to sustained economic growth.[11] While this would successfully demonstrate to other Third World countries that economic progress and stability could be

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[10]For a discussion, see Robert Johansen, United States Foreign Aid to India: A Case Study of the Impact of US Foreign Policy on the Prospects for World Order Reform, pp. 12-25.

[11]George Rosen, Western Economists and Eastern Societies: Agents of Change in South Asia, 1950-1970, p. 229.

attained by cooperation with the free world, it would also highlight the advantages of western economic aid policies. In addition, it would prevent India from leaning toward the communist world. This was perhaps one of the dominant objectives of American foreign economic policy during the Eisenhower years, and its importance was emphasised in a number of policy statements and aid programs. On several occasions the president himself stressed the importance of economic and technical assistance to India and the developing world "where it [was] vital [for] the people [to] see evidence of improved conditions of living flowing from freedom and independent sovereignty as contrasted to totalitarian methods."[12] Undoubtedly, the increasing power of communist China in the 1950s and its astonishing achievements in the areas of domestic economic development caused much alarm among the nations of the free world. To ensure that the newly-independent developing world would not follow the Chinese example it was clear that India's experiment in economic and material progress through democratic channels would have to succeed - a task in which the United States pledged to play a major role.

Clearly, an important objective of Eisenhower's foreign economic policy was also to maximise the economic benefits

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[12]"Letter to the Chairman, Senate Appropriations Committee, on the Mutual Security Program, July 23, 1953," PP, Eisenhower, 1953, p. 513.

that could be gained by entering into any sort of economic agreement with India. Economic ties with India meant not only access to a potential market for American products, but also the ability to purchase strategic raw materials to meet the needs of American industry. Furthermore, by "tying" its aid, that is forcing India to use its American aid to purchase American goods only, the United States was able to ensure sustained economic profits for its manufacturing sector. Private investment in the various sectors of the Indian economy was also encouraged which, it was hoped, would indirectly help to expand American commercial influence in India. In all of this, it does not seem likely that the Eisenhower administration made use of its economic position to influence political opinion in India. What it did seek was in fact the creation of an economic structure in India that would be favourable to American economic ventures and would increasingly promote economic interaction with the United States.

However, an examination of the trade figures for the 1950s suggests that while India was among the leading trading partners of the United States in Asia, the volume of trade between the two countries was not very large.[13] Clearly, American commercial and business interests attached far more importance to the European, South American and Pacific markets

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[13]See appendix 2 and 3, p. 126 and p. 127.

during the 1950s. Contrary to what several Indian historians and economic analysts have suggested, it appears that the United States did not seek the "Open Door" in India during the 1950s. American business interests did not view the Indian market as a potential replacement for the China market for American manufactured consumer goods. It must be pointed out that a large part of the economic aid allocated to India was in the form of loans and grants, to be used in a wide variety of technical and developmental projects throughout the country. While this did necessitate the purchase of industrial and technical equipment from the United States, it did not allow for the exchange of more basic consumer goods between the two countries. Moreover, the restrictive regulations and tariffs imposed by the Indian government on imports greatly reduced the chances of increasing trade between India and America in ordinary manufactured goods. In fact, the United States constantly sought a relaxation in the tariff restrictions imposed by the Nehru government in order to enhance the prospects for greater Indo-American commercial exchange. On the other hand, the United States expressed its desire to purchase several strategic minerals from India which it considered vital for its defence industry.

Clearly, then, India was not seen as a potential market for American manufactured goods during this period. While it would be incorrect to assume that trade between the two countries was negligible during the 1950s, it can be claimed

that for the most part it was limited to the industrial and technical sectors. Nonetheless, efforts were made throughout this period to encourage further trade and exchange between India and America, which it was hoped, would also foster better political relations between them.

Finally, humanitarian concern and the desire to alleviate human suffering by raising living standards in the Third World was also an objective of American foreign economic policy during this period. However, this is contested by most historians and economists who claim that humanitarian assistance and concern by the United States was simply "a moralistic blanket covering the security rationale for aid," and who charge that humanitarian and relief aid was often used as a "diplomatic weapon" to obtain political and economic favours.[14] Nevertheless, in the case of the Eisenhower administration humanitarian sentiment did play a part in the extension of emergency relief assistance to India, particularly during the event of a natural calamity or disaster.[15] Similarly, the 1960 "Food for Peace" agreement between the United States and India which enabled India to establish substantial food reserves was one aspect of American

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[14]Robert Johansen, United States Foreign Aid to India: A Case Study of the Impact of US Foreign Policy on the Prospects for World Order Reform, p. 37.

[15]An example of this is the 1955 Emergency Flood Relief Assistance Agreement signed in New Delhi on October 4, 1955. For text, see, United States Treaties and Other International Agreements, volume 6, part 5, 1955.

humanitarian aid for the nations of the under-developed world.

These, then, were the basic objectives of President Eisenhower's foreign economic policy for India. Having thus mentioned them one can now turn to an examination of the administration's policies - its origins, the factors that influenced its evolution and implementation and the development of this policy over the eight years of the presidency. It is clear that during this period the formulation of foreign economic policy was based on, and subject to a careful survey and understanding of the political and economic situation that existed in South Asia. In June 1953, the president reviewed a National Intelligence Estimate of the probable developments in South Asia which was a high level interdepartmental report consisting of an assessment of vital foreign policy problems in the region.[16] The report recognised that India faced fundamental economic difficulties which were the result of several factors such as the maldistribution of wealth, a low rate of capital formation, primitive farming methods and complicated systems of land tenure and crop financing.[17] It maintained that while in the long run India's stability would depend on the Nehru government's ability to cope with the situation, no substantial progress was possible without some form of foreign

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[16]See, FRUS, 1952-1954, volume XI, pp. 1072-1088.

[17]Ibid., p, 1077.

assistance.

Bearing this in mind, the administration in its first policy paper on South Asia pledged to take a more active interest in India's development by rendering emergency, developmental and technical assistance.[18] NSC 5409 stated that since India, the most important nation in South Asia, possessed a tremendous potential for making a long term constructive contribution to the free world, its loss to the communist world would be "a serious psychological and political defeat for the West." It was believed that if India failed to achieve a substantial measure of economic and social progress through its existing democratic set-up it could, quite possibly, be forced to turn to communist leadership and methods to realise its potentialities.[19] To guard against this possibility the United States would have to extend economic aid to India thereby enabling the Nehru government to achieve a reasonable level of progress and stability. The United States, therefore, sought to use economic aid as an instrument of policy to prevent and contain the emergence and spread of communism in India.

Consequently, a plan of action to encourage closer economic ties between the two countries was outlined which included assistance in developing the natural resources and

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[18]See NSC 5409, February 19, 1954, FRUS, 1952-1954, volume XI, pp. 1089-1096.

[19]Ibid., pp. 1090-1091.

industrial potential of India; fostering conditions that would be favourable to the investment of American private capital; encouraging expanded trade and commerce; extending emergency aid and providing guidance in the area of land and agricultural reform.[20] In this way the United States also contributed toward the execution of the Nehru government's first Five Year Plan (1951-55) devised to attain economic and industrial growth and development.

Similarly, the administration's subsequent policies on South Asia, implemented in January 1957 and 1961, asserted that it was in the best interests of the United States to maintain close economic ties with India by continuing its program of technical and developmental aid and rendering assistance for her second and third Five Year plans.[21] It is important to point out here that NSC 5701 and 6105 fundamentally revised the position of the Eisenhower administration with regard to its relationship with the Nehru government in that they placed greater emphasis on economic as opposed to political and military cooperation with India. Faced with Nehru's uncompromising stand on the conduct of Indian foreign policy and his refusal to ally with the United States in the cold war, Eisenhower gradually accepted Indian non-alignment, even admitting that India was better off being

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[20]Ibid., p. 1093.

[21]See NSC 5701, January 14, 1957 and NSC 6105, January 19, 1961 in Documents.

neutral. Therefore, with virtually no possibility of cooperation in the area of defence or military interaction, the Eisenhower administration shifted its focus to the economic sector.

Naturally, in the economic sector, success in achieving the objective of closer ties with India was almost certain. Since India had recently emerged independent from its colonial past and was beset by grave economic and social hardships, the idea of considerable foreign economic assistance was bound to appeal to her government. The United States, therefore, hoped that its program of aid would demonstrate to India the American interest in and sympathy for India's problems. This, in turn, would guarantee Indian cooperation and goodwill thereby enabling the United States to fulfil its objectives in Asia.

In addition to these general policy statements two specific economic policy papers were drawn up by the Eisenhower administration, namely NSC 5506 and the Council on Foreign Economic Policy (CFEP) Paper 562/1. Adopted in January 1955, NSC 5506 stated that the objectives of American economic assistance for Asia was "to convince the peoples of Asia that their economic aspirations [could] be more surely and rapidly achieved as members of the free world than by adherence to the communist systems."[22] It acknowledged that the protection of

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[22]NSC 5506, "Future United States Economic Assistance for Asia," January 21, 1955, Documents.

US security interests in Asia necessitated the achievement of greater economic strength and growth in this region - a condition that could be brought about by the extension of American economic aid to Asia. The importance of American aid to Asian countries was also emphasized upon by the CFEP in its 1958 policy paper 562/1 which subsequently coincided with substantial increases in the total amount of foreign aid to these nations.[23]

In reviewing these various policy statements it can be seen that the overriding concern of the Eisenhower administration was to protect and enhance American national security interests through the extension of economic assistance to the countries of Asia. The containment of communism, therefore, appeared to be the primary objective even in the realm of foreign economic policy. The containment of communism was sought on two levels - first, by assistaing India to achieve a substantial amount of economic progress the United States hoped to project India as a model of economic development through democratic methods as opposed to that achieved by communist China, and secondly, it sought to equip the Nehru government with the resources and the ability to resist communist expansion within India itself. In this manner, the economic aid extended to India would contribute to the enhancement of America's security position in South

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[23]James Hitchman, "Parry and Thrust: Eisenhower, the Soviet Union and India," p. 17. See also, appendix 1, p. 125.

Asia.

Whether the United States did in fact achieve the security it sought still remains a matter of debate and controversy. American interest in, and its commitment to the security of South Asia certainly did not deter communist China which continued to make inroads into Indian territory, finally culminating in an Indo-Chinese war in 1962. Within India too, the communist movement continued to gain momentum, even though it was limited to a small region of the country. Nevertheless, what the Eisenhower administration did achieve was the containment of communism, if not communist aggression, in this part of the world. The South Asian governments, assisted by American economic aid, were able to achieve some amount of political stability that allowed the continuance of democratic processes in their respective countries, thereby indirectly contributing to American security interests in this region.

American economic aid to India began in late 1950 when the Nehru government signed the general Point Four agreement - President Truman's program of technical assistance to the under-developed nations of Asia, Africa and Latin America. To this effect, the Technical Cooperation Mission (TCM - now the Agency for International Development) was established in 1952, the purpose of which was to provide India with the necessary knowledge, training and technical expertise in the development of her economic resources. However, with the outbreak of the Korean war in 1950 and Washington's increasing "obsession"

with containment the Point Four program was replaced by the new mutual security program that was to determine the nature and scope of American foreign economic policy in the following years. Initially designed to protect the security interests of the United States and its allies, particularly in Southeast Asia and the Western Pacific, the mutual security program extended financial assistance for military equipment, supplies and training, and aid for the maintenance of large military programs in several countries.[24]

While this continued to be the pattern of the mutual security program during the early years of the Eisenhower presidency it gradually began to change with the President placing more emphasis on the economic rather than the military aspect of this policy. A notable contribution of President Eisenhower to the mutual security program was his decision to wage the battle against communism via two channels, that is, both through the military and economic channels. While military force and preparedness was essential, Eisenhower believed that it had to be backed by economic strength. He perceived the struggle against communism to be a long one, which could be sustained only by steady economic growth. Hence, during the period of his presidency, more importance was given to the economic aspects of the mutual security program. A review of his subsequent statements on the

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[24]From message to the Congress on the Mutual Security Program, June 23, 1954, PP, Eisenhower, 1954, p. 591.

importance and nature of the mutual security program reinforces this. In a message to the Congress in 1956 the president stressed that while the mutual security program sought to "insure that each free nation remain[ed] free [and] secure from external aggression and subversion," it also desired the "develop[ment] [of] a society marked by human welfare, individual liberty, and a rising standard of living."[35] Progress and security among the nations of the free world, he believed, could only be achieved through economic strength and long term planning - a development in which the United States could assist through its aid policy.[36] Consequently, he advocated the expansion of global trade and private investment, the extension of public loans, and the provision of technical knowledge to the underdeveloped countries of the free world.

Under the Eisenhower mutual security program India received economic aid in the form of Development Assistance and Technical Cooperation. While the former financed the procurement of equipment and commodities for development programs the latter provided the technical knowledge and skills for the implementation of these projects. In the area of food supply, American aid was extended to India under the

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[35] Ibid., 1956, p. 315.

[36] "Radio and TV address to the American people on the Need for Mutual Security in Waging the Peace, May 21, 1957," Ibid., 1957, pp. 391-393.

Public Law 480 Agricultural Commodities Agreement throughout the 1950s. PL 480 was an act passed by the American Congress which authorised the US government to sell its surplus agricultural commodities to developing nations with the payments being accepted in the local currencies. A new phase in Indo-American economic relations was inaugurated in 1957 with the establishment of the Development Loan Fund (DLF) by the Eisenhower administration designed to provide India with credit for the purchase of capital equipment for her industrial sector. In addition, loans were extended to India through the Export-Import Bank (Eximbank) for the same purpose.

From 1951 through June 1959 American economic assistance extended to India under the mutual security program totaled $607.6 million, apportioned as follows - $70.3 million for Technical Cooperation projects, $342.3 million in loans and grants for other economic programs, and $195 million in loans from the DLF. Additional aid in this period included $151.8 million in long term loans from the Eximbank, a loan of $189.7 million made in 1951 for the purchase of food grains, and assistance under PL 480 in the form of surplus agricultural commodities worth $480.1 million. US economic assistance to India from 1946 to June 1959 totaled $1,588.7 million.[37]

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[37]US Department of State, India: Mutual Security in Action, Fact Sheet, July 14, 1960. See also, appendix 1, p. 125.

Undoubtedly, American economic assistance benefitted the Indian economy in a major way. Not only did it provide much needed support for the implementation of the Nehru government's Five Year Plans but it also helped to ease the critical shortages that India faced in the areas of food supply, foreign exchange and technical know-how. The PL 480 agreements enabled India to purchase foodgrains and other agricultural commodities without draining her limited foreign exchange resources. Under the TCM program the United States participated in a total of 156 projects (1952-1959) and extended aid worth almost $460 million.[28] The credit extended through the DLF and the Eximbank enabled the purchase of capital equipment for projects in the railway, mining, chemical, transportation and mechanical engineering industries.

In addition to this direct aid, the United States also contributed to the economic development of India by participating in the Colombo Plan as a member of its Consultative Committee. Established in 1950 by the member countries of the British Commonwealth, the Colombo Plan constituted an advisory body that reviewed and discussed proposals pertaining to the economic and industrial

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[28]See, The Times of India, Magazine section, December 9, 1959.

development of the South and Southeast Asian countries.[29] The objectives of the United States in joining this organisation were vast and varied. Secretary Dulles stated in 1953 that American membership and participation in the work of the Colombo Plan Consultative Committee was a tangible indication of the importance the Eisenhower government attached to economic progress in South and Southeast Asia.[30] American interest in this organisation was based on the belief that world peace could only be secured if the countries of South and Southeast Asia remained as members of the community of free nations. To assure their continued freedom, economic progress in this region was necessary, toward which the United States, along with other participating developed nations, could contribute.

It can also be argued that by taking an active interest in the Colombo Plan the United States sought to replace Great Britain as the predominant economic power in Asia. With Britain's colonial influence and prestige on the decline, it provided the United States with the opportunity to extend its economic influence in this region. Since the Eisenhower

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[29]The countries participating in the Colombo Plan included Australia, Burma, Cambodia, Canada, Ceylon, India, Indonesia, Japan, Laos, New Zealand, Nepal, Pakistan, Thailand, United Kingdom (with Malaya and British Borneo), Vietnam and the United States. The Phillipines and Taiwan participated as observers.

[30]US Department of State, Bulletin, 29:746, October 12, 1953.

administration regarded the security of the South and Southeast Asian regions as vitally important to American security concerns, participation in the Colombo Plan would give the United States a stronger footing in Asia, thereby enabling it to actively protect its interests in this region. Moreover, this area was of direct importance to the United States as a source of essential imports and as a market for American products.

However, it must be pointed out that the Colombo Plan faced limitations in its scope and influence. It was primarily a coordinating body or a "clearinghouse" for economic development efforts in South and Southeast Asia, which assisted the countries of this region in transforming their proposals for economic development into concrete programs by providing technical expertise and arranging for financial assistance. It had no capital of its own to disperse and no authority to levy on its members.[31]

Nevertheless, the United States continued to play an active role in this organisation, pledging its support to its proceedings throughout the 1950s. Although it did not enable the United States to achieve the economic power it sought it did considerably increase American influence by encouraging a more favourable attitude among the South and Southeast Asian nations toward American aid and foreign economic policy. To

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[31]See, Herbert Feis, Foreign Aid and Foreign Policy, pp. 232-234.

demonstrate its interest in the organisation the United States invited the Colombo Plan countries to hold their tenth conference in Seattle, Washington and the president personally inaugurated the deliberations in 1958. Welcoming the delegates in Seattle, President Eisenhower affirmed that the United States stood ready to "play its full part" in the programs of the organisation, and outlined the measures his government was prepared to take in supporting economic growth in Asia.[32] The Colombo Plan also provided the opportunity for close cooperation between India and the United States in the areas of trade, investment, technical and developmental assistance throughout the 1950s. To a great extent, it fostered on the part of the Nehru government a better understanding and appreciation of American interest in India's development and growth.

In assessing the nature of Indian-American economic relations in the 1950s most writers claimed that while the first half of the decade saw relatively little improvement in their relations, prospects for economic cooperation became far greater after 1957 following the establishment of the DLF.[33] Various explanations were consequently put forward to account for this. According to one view, the Eisenhower administration

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[32]PP, Eisenhower, 1958, pp. 841-842.

[33]See, in particular, S. Chandrasekhar, American Aid and India's Economic Development, pp. 71-79 and John Lewis, Quiet Crisis in India, pp. 252-260.

revised its economic aid policy in order to counter the Soviet Union which inaugurated a program of economic assistance to India in the mid 1950s.[34] Perceiving this to be a challenge to its position in the subcontinent, the United States made substantial increases in its total foreign aid to India. However, while this point of view is very convincing, it does not appear to have been a very significant factor in forging closer economic ties between India and the United States. Throughout this period American aid to India greatly exceeded that granted by the Soviet Union. While Russian aid was limited to certain sectors of the Indian economy American economic assistance contributed to almost every aspect of India's economic, technical and industrial growth. As such, the Soviet Union could hardly be regarded as a "competitor" in the area of economic aid.

Nevertheless, Russian economic aid, though relatively modest, became one of the main irritants in Indian-American relations in the 1950s and 1960s. What was particularly resented in the United States was the attitude of the Indian government toward the aid extended to it by the Soviet Union. Received amidst much political fanfare, Russian economic assistance to India was often highly praised and publicised in the media. No such treatment was accorded to the United States which was by far the largest contributor of foreign

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[34]B. K. Shrivastava, "Indo-American Relations: Retrospect and Prospect," p. 26.

assistance to India. Possibly, as some historians have sought to explain, this was due to the nature of the American aid program itself. Unlike the United States, the Soviet Union did not publicly specify the objectives of its aid policy apart from stating that it was designed to contribute to India's economic needs. Aid was not declared to be linked to security interests. Naturally, it was likely to receive a better reception in India.

A factor that did prompt the Eisenhower administration to increase economic assistance to India and thereby improve its relations with her was the activities of communist China on India's northeastern borders. Although Nehru had believed that a solution to Indo-Chinese friction could be found through peaceful negotiations, he had, nonetheless, become apprehensive of the communist regime's approach to the border dispute.[35] Almost anticipating a military showdown between India and China, President Eisenhower had given much thought toward increasing American aid to India that would enable her to meet any situation and defend her borders.[36] Moreover, during his visit to India in December, 1959 Eisenhower in a message to the Indian Parliament affirmed that the armed forces of the United States were prepared to defend its

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[35]See, Nehru's speech in Parliament on Indo-Chinese relations, November 25, 1959 in India's Foreign Policy, pp. 359-371.

[36]The President's news conference of May 5, 1959, PP, Eisenhower, 1959, pp. 365-366.

"friends" against communist aggression from any quarter.[37] Consequently, India received major increases in her economic aid from the United States which also made for better economic relations between the two countries, particularly during the years 1959-1961.

It is also widely held that the president's visit itself to India in 1959 greatly helped promote the cause of closer economic cooperation between the two countries.[38] While it provided the president with the opportunity to witness the end results of American economic efforts, in India it fostered a wider understanding and appreciation of American participation in India's economic development. Speaking at the opening of the World Agriculture Fair in New Delhi, Eisenhower referred to the "Food for Peace" program initiated to assist developing nations in meeting their food supply requirements, and expressed his administration's desire to maintain a close working relationship with the government of India.[39]

But perhaps, Eisenhower's most notable contribution to Indian-American economic relations was his decision to continue, and substantially increase, American economic aid to India despite the fact that she was a "neutral" country and

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[37]The New York Times, December 11, 1959 and December 14, 1959.

[38]John Lewis, Quiet Crisis in India, p. 258 and S. Chandrasekhar, American Aid and India's Economic Development, p. 76.

[39]PP, Eisenhower, 1959, pp. 389-342.

did not contribute in any direct way to American security efforts in Asia.[40] Eisenhower encountered stiff opposition on this issue from several quarters, notably the Congress, which believed that American aid should be extended only to its allies.[41] Although the Congress made drastic cuts in his foreign aid program throughout the decade, Eisenhower managed to keep alive his program of economic assistance for India.

No doubt this had much to do with his views on India's neutral stance as well as his understanding of the situation as it existed in South Asia. As mentioned in an earlier chapter, Eisenhower had come to accept India's non-alignment as a preferable alternative to communism in Asia, acknowledging that it was well suited to India's position and domestic situation which in any case made impossible any military commitments on her part. Nonetheless, India's economic development was essential if she was to remain free. American economic aid would not only build India's strength but would also thus enable her to combat the menace of advancing communism. Moreover, as the Eisenhower administration believed, the success of India's struggle to achieve a higher standard of living without sacrificing its political democracy for communist ways was vitally important

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[40]See, appendix 1, p. 125 for American economic aid to India during the Eisenhower years.

[41]Stephen Ambrose, Eisenhower: The President, volume II, pp. 379-381.

to all the nations of the free world. Also it was hoped that by granting economic aid, India, despite her neutrality, would be convinced that the United States respected her freedom and would thus reciprocate American goodwill.[42] Hence, the Eisenhower administration concluded that it would be self-defeating to ignore India even though her government refused to ally with the United States in the cold war. Moreover, it was clear that if the United States failed to provide India with economic assistance, the Soviet Union would. Therefore, it was important for the Eisenhower administration to maintain a consistent program of economic support for India throughout this period.

Despite the efforts made by the Eisenhower administration to promote better economic relations, American aid programs still encountered some amount of opposition and criticism in India. While Nehru had personally voiced his appreciation of American economic aid to India on several occasions, the Indian government remained somewhat distrustful of the objectives of such programs. Perhaps, as some writers explained, this had much to do with India's colonial past which made her look upon American economic aid as a form of internal penetration as well.[43] Yet another writer claimed that India became "disenchanted" with American economic

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[42]Herbert Feis, Foreign Aid and Foreign Policy, p. 161.

[43]Marshall Windmiller, "America's Relations with India: A Re-appraisal," p. 35.

assistance programs because they created "humiliating dependence" on the United States, and required the presence of Americans in virtually every institution sponsoring Indian development.[44] Clearly, one of the sore points was the fact that India received a much smaller share of American aid as compared to America's Asian allies even though her economic needs were far greater.[45] India resented the fact that political considerations played a major part in the allocation of funds so that the countries militarily linked to the United States received the lion's share of the total aid committed to Asian development.[46] Consequently, India believed that the United States had lost sight of its much proclaimed objective of assisting underdeveloped nations in raising their standards of living.

Nonetheless, whatever the accusations were, it does not detract from the argument that India and American achieved closer and cordial ties in the area of economic cooperation during the Nehru-Eisenhower years. To sum up, then, while the extension of American economic aid to the developing nations of Asia became one of the top priorities of the Eisenhower administration's foreign economic policy, it attached special

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[44]Charles Heimsath, "United States-Indian Relations: a generation of unfulfilment," p. 477.

[45]P. C. Sen, "This American Aid to Asia," Eastern World, 9 (1955), pp. 47-48.

[46]Ibid., p. 47.

importance to its rendering of economic assistance to India. Having emerged as a leading nation among the Third World countries Eisenhower believed that India possessed a tremendous potential for economic growth and development. It appears that his foreign economic policy toward India had many objectives among which the promotion of national security interests, a genuine desire to assist in India's efforts to raise the standards of living, and the need to demonstrate the effectiveness of democratic methods as opposed to communist practices occupied a special position. Consistent with his general foreign policy toward India, Eisenhower hoped that his economic policy would create an atmosphere of understanding between the two countries, thereby laying the basis for close and cordial economic relations in the years to follow.

CONCLUSION

Any overall assessment of the success of President Eisenhower's policy toward India necessitates an evaluation within a broader perspective, that is, it should be judged historically, and by the standards he set for his administration during his presidency. In response to the rapid expansion of communist influence in the various regions of the globe, the Eisenhower administration, on assuming charge in 1953, decided to carry forward the preceding Truman administration's policy of containment, making it the predominant objective of American foreign policy during the years 1953-1961. To deal with what was seen as a threat of communist aggression, the Eisenhower administration evolved and implemented distinct policies for those regions of the globe whose security was believed to be crucially linked to the national security interests of the United States. Among these were the Middle East, the Indian subcontinent and the Southeast Asian regions. According to the administration's policy-makers, these were the areas that were particularly important in terms of their natural and economic resources, strategic location and active participation in international affairs. At the same time, they were vulnerable to communist aggression and penetration, in part due to their internal economic and military unpreparedness and in part due to the proximity of the Soviet Union.

While the administration evolved a set of guidelines that

defined the position of the United States on the security of all these regions, it was the Middle East that clearly dominated the President and his administration's foreign policy concerns.[1] The Middle East region's importance lay in its massive oil resources - a source of fuel that was vital to the Western world for its growing industrial, consumer and economic sectors. As such, American interest and involvement in the Middle East increased, particularly in the postwar era. With the gradual decline of British and French colonial power in Western Asia, the growing popularity of "Nasserism" and the increasing interest of the communist world in the Suez, the Eisenhower administration in 1957 launched a bold new policy for this region, which later came to be known as the "Eisenhower Doctrine."[2] Essentially, the Eisenhower doctrine had three main aspects - first, it was anti-communist and sought to prevent the expansion of communist power in the Middle East. Secondly, the doctrine advocated a liberal program of American economic and military aid to the countries of this region in order to enable them to resist communist incursions. And thirdly, it enabled the president to deploy the armed forces of the United States in any part of this

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[1]See, Dwight Eisenhower, Waging Peace, 1956-1961, p. 20.

[2]Ibid., pp. 20-57.

region which was faced with communist aggression.[3]

In reviewing the Eisenhower doctrine for the Middle East it can be argued that, in fact, the president also formulated and implemented a similar, yet somewhat distinct, policy or "doctrine" for the Indian subcontinent as well. Following their independence from British rule in the late 1940s, the countries of the Indian subcontinent launched their individual programs of political and economic development and began to take an active interest in world affairs. The early years of the 1950s saw the Soviet Union and the United States turn their attention to the various regions of Asia in search for allies or potential "zones of influence," the Indian subcontinent being one of them. Eager to prevent the expansion of communist influence and power in South Asia, the United States began to take a special interest in the political commitments and security alignments of this region. Hence, like the Middle East, the containment of communism became the single most important objective of Eisenhower's policy for this region as well. As such, the administration extended substantial military and economic aid to the countries of South Asia, particularly India and Pakistan. The aid thus granted was meant to enable India and Pakistan to successfully

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[3]The main features of the Eisenhower doctrine were spelt out by the president in a special message to the Congress on January 5, 1957. For text, see, PP, Eisenhower, 1957, pp. 6-16. The doctrine was eventually sanctioned by the House and the Senate in a joint resolution, passed on March 9, 1957. See, AFP, 1957, pp. 791-792.

combat communist aggression, both from within and from external sources, thus helping them to preserve their independence and democratic set-up. While Pakistan formally joined the US-led Western power bloc and became the recipient of substantial American military aid, India proclaimed her neutrality, but, nevertheless, continued to receive considerable economic aid throughout the period 1953-1961. In South Asia, as in the Middle East, the need to demonstrate the effectiveness of achieving economic progress and stability through democratic processes as opposed to totalitarian communist methods was an important objective of the Eisenhower administration's foreign economic policy. This was particularly so in the case of India which was increasingly projected as a model against communist China.

However, Eisenhower's "doctrine" for India was distinct in that it involved a close relationship between the President and Prime Minister Nehru. Eisenhower placed special emphasis on maintaining a close working relationship with Nehru, making use of a "personal approach" strategy in his dealings with the Indian Prime Minister. While the importance of this factor must not be overstated, its significance must be recognised for it clearly distinguished Eisenhower's attitude toward the other countries of South Asia, particularly Pakistan, from his stance toward India. Although India did not subscribe to the American position in the cold war, and Nehru opposed Eisenhower on several crucial international issues, India

occupied a special position in the foreign policy concerns of the Eisenhower administration. While this was partly due to India's political and economic position in the subcontinent, and among the Third World nations, it was also largely a result of the President's personal relations with Nehru. The two leaders shared a common commitment to a democratic way of life, and a common desire for peace and understanding among the nations of the world. The fact that Eisenhower was hailed as a "messenger of peace" during his visit to India despite his active propagation of the cold war, his "pactomania", and his administration's decision to extend military aid to India's hostile neighbour, Pakistan, is testimony to the identity of interests between the president and Prime Minister Nehru.[4] Furthermore, Nehru's strong disapproval of communist ways, often overlooked by historians and political analysts, made for better understanding between the two leaders, particularly on the question of resisting communist pressure from neighbouring China.

The purpose of drawing a parallel between Eisenhower's policy for the Middle East and that for South Asia is to bring to attention the argument that to a large extent Eisenhower's South Asian policy was influenced and determined by the developments taking place in the Middle East in the 1950s.

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[4]See, The New York Times, December 9, 1959 and December 10, 1959. See also, The Times of India, Magazine section, December 9, 1959 and December 11, 1959.

Generally overlooked by political analysts in the 1950s and 1960s, this argument has received more attention from historians in recent years. In particular, it has been advocated by the Eisenhower revisionists who have sought to explain the president's foreign policy within a broader perspective.[5] According to the Eisenhower administration, the security of South Asia was fundamentally linked to the security of the Middle East for several reasons. First of all, both these regions were, in effect, part of the same land mass stretching from the northwestern limits of Turkey to the Indian subcontinent, and facing a common threat of potential communist incursions. Furthermore, in keeping with the "domino theory" the United States believed that the loss of either of these two regions to communist control would have serious repercussions since it would expose the entire region to communist pressure and possible domination. Moreover, the nations of Western and Southern Asia had historic and cultural links, sharing a common past and historical antiquity. Therefore, in providing for the security of the Middle East and the preservation of American interests in this region, Eisenhower formulated a policy which, in fact, laid the basis for the administration's relations with not only the nations of the Middle East but also those of South Asia.

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[5]See, in particular, Robert McMahon, "United States Cold War Strategy in South Asia: Making a Military Commitment to Pakistan, 1947-1954," pp. 812-840.

While the Eisenhower doctrine addressed certain specific issues such as the Arab-Israeli conflict, the question of the Suez Canal, the phenomenon of "Nasserism", and the growing influence of the Soviet Union in this region, in general terms its main aspects also pertained to the security of South Asia as well. As such, it can be argued that the Eisenhower administration's policy for the Indian subcontinent was in fact an extension of the president's Middle East doctrine. Clearly, the underlying objective of Eisenhower's policies for the two regions was the same, that is, the containment of communism. To the Eisenhower administration, the Soviet danger to the Middle East was part of a larger Soviet offensive aimed at the Third World. Hence, it was in this context that the administration decided to extend military aid to Pakistan, thereby hoping to assist the Indian subcontinent in resisting the advance of communism. The US-Pakistan military alliance of 1954 must therefore be regarded as an offshoot of Eisenhower's policy for the security of the Middle East, and as a part of his strategy for the entire region of Southern and Western Asia.

So, while it is clear that strategic and security factors were the main objectives behind the US decision to aid Pakistan militarily, Pakistan's motives in requesting this aid were undoubtedly to enhance its power and position in the subcontinent vis-a-vis India. Although the president acknowledged this to be the main irritant in his

administration's relations with the Nehru government, he nevertheless adhered to his decision primarily because he believed that it served the security interests of the free nations of Southern and Western Asia. At the same time, Eisenhower adopted a fundamentally different approach to establishing close relations with the Nehru government. He accepted and recognised Nehru's policy of non-alignment in cold war politics, acknowledging that India was not in a position to undertake military commitments such as those undertaken by Pakistan. To a large extent, Eisenhower's approval of Nehru's conduct of Indian foreign policy was due to his respect for the convictions of the Indian leader. Moreover, it appears that Eisenhower through his regular contacts with the Indian Prime Minister believed that although Nehru had vastly differing views on various international and political issues, he essentially favoured Western liberal ideas of democracy and freedom, and was distrustful of the communist world.

Nevertheless, Eisenhower sought a more active involvement with the government of India throughout the eight years of his presidency even though he accepted India's position on the cold war. Eisenhower constantly advocated a liberal economic aid program for India, expressed his concern at the developments in the Indo-Chinese border issue, worked toward a mutually acceptable solution in the Kashmir dispute between India and Pakistan, and encouraged India's participation in

international affairs. It appears, then, that while the Eisenhower administration did not try to coerce or influence the political leadership in India, it did, nevertheless, attempt to establish its presence in the region. Through extensive interaction and cooperation with India in the economic, cultural, technical and to an extent, political sectors, the United States hoped to gain a favourable image and position in India. This, it was hoped, would prove as a safeguard against any attempts by the Soviet Union to extend its influence over India.

In summary then, there are two important themes that have emerged from this study. The first theme concerns the factors that influenced the president's policy toward South Asia in general, and toward India in particular. As the extensive evidence on this subject indicates, it is clear that President Eisenhower's policy toward India was largely determined by American national security concerns, that is, more precisely, by the need to "contain" the expansion of communist influence and power in this region. Alarmed at the advance of international communism as reflected in various global developments such as the IndoChina and Suez crises, the Eisenhower administration adopted a new approach toward safeguarding US security interests in Asia. Keeping in mind the strategic importance of the Indian subcontinent, it recognised India as the dominant nation in the subcontinent and sought to establish strong relations with the Indian

government. This, it was believed, would ensure India's support and cooperation in the interest of the free world nations, thereby checking the advance of communist influence in the area. Furthermore, the administration sought to enhance America's position in Asia through a system of regional military alliances, as well as through a program of massive economic aid to the countries of South Asia. At the same time, while national security interests were by far the most important factor in determining Eisenhower's policy toward India, the president's personal relations with Prime Minister Nehru must be regarded as an extremely significant influence as well. This close relationship and mutual understanding between the two leaders made possible cordial relations between India and America during this period.

The second theme that emerges from this study is that Eisenhower's policy toward India was extremely successful. While it enabled the United States to achieve the position it sought in South Asia it also earned the president tremendous respect and goodwill, particularly from the Indian government. In general, Eisenhower's policy toward India can be described as one of moderation and accomodation. And perhaps, an explanation of the success of his policy toward India must be sought in this. Eisenhower's attitude toward Nehru, and his appreciation of India's problems reflected his realistic understanding of the situation as it existed in South Asia. While the security of South Asia figured prominently in the

security concerns of his administration throughout his presidency, his recognition of India's neutrality did not endanger the American position in South Asia. On the contrary, his policy of accomodation greatly enhanced American prestige in India, assuring the president of Nehru's support on several global and regional issues. Furthermore, as the president himself admitted, it was in the interests of the United States to have a neutral yet stable India rather than one that was weak and burdened by the cost of military preparedness.

It follows, then, that American policy toward India in the 1950s was not the result of any vague or ill-conceived notions on the part of the President or his Secretary of State, but rather was based on a careful assessment and understanding of the situation in South Asia during this period. As such, this study conforms with, and reinforces the revisionist argument that President Eisenhower's foreign policy, although built largely upon the lines laid down by President Truman and his Secretary of State, Acheson, was coherent and clear in its guiding principles, and largely successful in achieving its objective of restraining communist aggression through building strength and unity among free nations. As the Eisenhower revisionists have concluded in recent years, the president's conduct of foreign policy greatly promoted America's long-term national interests and enhanced American prestige among the nations of the free world. In fact, as one writer claimed, the years of the

Eisenhower presidency can be counted among the most "prosperous, peaceful and politically tranquil in this century."[6]

Nevertheless, while on the whole relations between India and the United States were extremely cordial, the American involvement with Pakistan in the form of a military alliance did bring about some amount of tension between the two countries. As mentioned in an earlier chapter, what Nehru essentially resented was Pakistan's motives in requesting this aid rather than the Eisenhower administration's objectives in concluding the alliance. While the 1954 US-Pakistan alliance did increase hostilities between India and Pakistan, it also encouraged a "shift" on the part of the Indian government toward the Soviet Union, though particularly in the 1960s. While to a certain extent the actions of the Eisenhower administration can be held responsible for this, it was also the result of various other developments that took place in the subcontinent in the 1960s. The Indo-Chinese war in 1962, the Indo-Pakistan war in 1965 as well as the foreign policies of the new government following Nehru's death in 1964 were some of the factors that possibly played a part in this. One can only speculate about India's position had the 1954 alliance between Pakistan and the United States not been concluded. While it may have not have caused the wars between

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[6]Robert Griffith, "Dwight D. Eisenhower and the Corporate Commonwealth," p. 121.

India and Pakistan it seems unlikely that it would have prevented India's shift toward the Soviet Union. Due to the geographical location of the Soviet Union, and its ambitious program of economic aid to developing countries, relations between India and the Soviet Union were bound to develop rapidly. As such, the Eisenhower administration's decision to extend military aid to Pakistan cannot be regarded as the sole factor in this development.

Nevertheless, despite the military alliance, Indian-American relations during the Nehru-Eisenhower years remained close and cordial. Undoubtedly, the Eisenhower administration's policies and the President's personal efforts were largely responsible for this. When considered in contrast to the policies of the Truman administration, the Eisenhower administration's Indian policies represented a fundamentally new approach to relations with the Indian subcontinent, and resulted in extensive cooperation between India and the United States in the political, economic and social sectors.

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Appendix 1

Major US Government Foreign Assistance, Net, By Country: 1945-1961

[in millions of dollars]

Country/ Region	1945-1953	1954	1955	1956	1957	1958	1959	1960	1961
Eastern Europe	1092	7	-1	-3	63	98	61	123	52
Western Europe	23267	809	692	351	503	157	-439	-20	-592
Near East									
Greece	1202	47	75	69	31	23	37	27	30
Iran	81	65	64	61	47	50	91	33	128
Iraq	2	2	3	3	3	4	2	1	1
Israel	282	62	46	57	35	51	56	41	41
Jordan	6	7	14	5	20	57	60	62	61
Turkey	241	47	97	123	141	122	111	100	151
U.A.R.	11	4	27	48	8	2	75	116	117
South Asia									
Afghanistan	21	4	6	13	13	19	19	13	30
Ceylon	-	-	-	2	8	21	19	7	9
India	253	29	118	119	187	243	320	522	369
Pakistan	99	12	67	154	100	145	142	229	213
Far East/ Pacific									
Burma	21	1	-	3	18	3	14	13	5
Taiwan	1059	89	109	112	98	84	86	109	118
Indonesia	215	23	9	51	51	24	17	45	53
Korea	911	169	279	307	373	311	232	255	220
Phillipines	804	9	21	28	39	42	24	23	11
Thailand	19	4	16	39	33	30	47	42	28

Source: US Bureau of the Census. Statistical Abstract of the United States. Washington D.C.: GPO, 1960-62.

Appendix 2

Foreign Trade
Exports, By Country of Destination
[in thousands of dollars]

Country/ Region	1955	1957	1959	1961
Europe	4,236,007	5,853,584	4,625,485	6,440,441
South America	1,680,466	2,651,855	1,991,478	2,229,225
Asia				
Iraq	37,177	40,761	27,507	37,379
Iran	57,628	83,749	113,636	91,906
Israel	89,963	97,941	116,553	146,022
Jordan	6,527	6,828	15,562	23,562
Afghanistan	4,814	8,617	6,920	18,427
India	191,380	440,908	336,338	482,587
Pakistan	55,423	116,283	104,130	195,262
Ceylon	7,760	13,536	23,115	14,893
Burma	4,569	8,170	8,062	6,836
Thailand	51,186	68,948	62,757	62,616
Indonesia	77,482	113,332	67,071	134,063
Phillipines	353,266	373,053	276,212	332,807
Taiwan	109,612	108,103	107,315	135,692

Source: US Bureau of the Census. Statistical Abstract of the United States. Washington D.C.: GPO, 1960-62.

Appendix 3

Foreign Trade:
General Imports of Merchandise, By Country of Origin
[in thousands of dollars]

Country/ Region	1955	1957	1959	1961
Europe	2,453,280	3,146,710	4,607,417	4,145,755
South America	2,224,388	2,574,310	2,445,016	2,360,309
Asia				
Iraq	32,215	29,078	34,474	29,458
Iran	34,373	32,901	50,931	61,314
Israel	17,093	20,081	27,531	32,640
Jordan	53	112	55	496
Afghanistan	13,723	20,409	16,429	11,845
India	221,445	210,895	207,372	252,196
Pakistan	30,375	39,592	35,371	36,984
Ceylon	35,777	32,441	34,628	31,378
Burma	979	3,041	2,269	1,597
Thailand	104,728	85,676	90,589	37,467
Indonesia	211,928	200,307	190,391	163,140
Phillipines	253,097	262,115	311,693	316,485
Taiwan	6,373	8,865	14,042	43,158

Source: US Bureau of the Census. Statistical Abstract of the United States. Washington D.C.: GPO, 1960-62.